

AGENDA



**REGULAR SESSION
MAYOR AND COUNCIL
TOWN OF CAMP VERDE
COUNCIL CHAMBERS
473 S. Main Street, Room #106
WEDNESDAY, APRIL 2, 2008
at 6:30 P.M.**

1. **Call to Order**

As a reminder, if you are carrying a cell phone, pager, computer, two-way radio, or other sound device, we ask that you turn it off at this time.

2. **Roll Call**

3. **Pledge of Allegiance** – (Please remove your hat.)

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) March 26, 2008 – Council Hears Planning & Zoning
- 2) March 19, 2008 – Executive Session
- 3) March 19, 2008 – Special Session
- 4) March 19, 2008 – Regular Session

b) **Set Next Meeting, Date and Time:**

- 1) Quarterly Work Session with the Commission to include a Joint Work Session with the Housing Commission – April 9, 2008 at 6:30 p.m.
- 2) Regular Session – April 16, 2008 at 6:30 p.m.
- 3) Council Hears Planning & Zoning – April 23, 2008 at 6:30 p.m.

c) **Possible approval of the transfer of all funds in excess of \$1,000 from the HURF account at the Local Government Investment Pool to the General Fund account at the Local Government Investment Pool to cover the amount owed by the HURF fund to the General Fund. The HURF account balance is \$1,211,211.10. Staff Resource: Michael Scannell**

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

6. **Council Informational Reports** Individual members of the Council may provide brief summaries of current events and activities. These summaries are strictly for informing the 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.

- **Councilor Garrison's Liaison Report regarding Camp Verde Sanitary District (District) meetings and possible discussion and/or determination of requests for placement on the District's standard agenda item for Council Updates/Reports.**

Note: Requests may be identified, but no discussion of the item will occur at this time.

Vice Mayor Hauser requested Item #7:

7. **Presentation by John Rassmussen, Coordinator of the Water Advisory Committee (WAC), followed by possible discussion concerning the WAC's efforts.**

8. **Presentation and discussion of the February 2008 Financial Update Report.** Staff Resource: Lisa Elliott

9. **Discussion, consideration, and possible development of issues and concerns to include in the Annual Policy Statement that allows the Mayor to act on behalf of the Council when there are extremely short time constraints. Examples of such items might include legislation that impact State Shared Revenues or the Verde River.** Staff Resource: Mayor and Council

10. **Discussion, consideration, and possible development of a Mayor and Council Mission Statement and Performance Objectives to be included in the FY 08/09 Budget format.**
Staff Resource: Mayor and Council
11. **Discussion, consideration, and possible appointment of a Council member or direction to the Manager to appoint a staff member to serve as an alternate Sanitary District Liaison to attend meetings (including the April 9, 2008 meeting), and to have reporting responsibilities in Council Member Garrison's absence.** Staff Resource: Michael Scannell
12. **Discussion, consideration, and possible direction to the Manager concerning restructuring the Rio Verde Plaza leases and rental amounts.** Staff Resource: Michael Scannell

Councilor German requested item #13:

13. **Discussion, consideration, review, and possible recommendation for changes to the Town's existing Complaint Procedures with regard to acceptance and subsequent interoffice communication. This discussion may include the Council Correspondence and Mail Distribution Policy as outlined in Resolution 2000-447, Item 10, followed by possible direction to staff as it relates to the complaint procedures and correspondence policy.** Staff Resource: Debbie Barber
14. **Call to the Public for Items not on the Agenda.**

There will be no Public Input on the following items:

15. **Advanced Approvals of Town Expenditures**
There are no advanced approvals.
16. **Manager/Staff Report**
17. **Adjournment**

Posted by: W. Jones

Date/Time: 3-28-08

9:05 a.m.

Note: Pursuant to A.R.S. §38-431.03.A.2 and A.3, the Council may vote to go into Executive Session for purposes of consultation for legal advice with the Town Attorney on any matter listed on the Agenda, or discussion of records exempt by law from public inspection associated with an agenda item.

The Town of Camp Verde Council Chambers is accessible to the handicapped. Those with special accessibility or accommodation needs, such as large typeface print, may request these at the Office of the Town Clerk.

**MINUTES
COUNCIL HEARS PLANNING & ZONING MATTERS
MAYOR AND COUNCIL
TOWN OF CAMP VERDE
COUNCIL CHAMBERS
WEDNESDAY, MARCH 26, 2008
6:30 P.M.**

Minutes are a summary of the actions taken. They are not verbatim.
Public input is placed after Council motions to facilitate future research.
Public input, where appropriate, is heard prior to the motion.

1. **Call to Order**

The meeting was called to order at 6:30 p.m.

2. **Roll Call**

Mayor Gioia, Vice Mayor Hauser, Councilors Smith, Garrison, Kovacovich, German and Elmer were present.

Also Present: Town Manager Mike Scannell, Sr. Planner Mike Jenkins, Administrative Assistant Jenna Paulsen, and Recording Secretary Margaret Harper.

3. **Pledge of Allegiance**

The Pledge was led by Elmer.

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) Regular Session – April 2, 2008 at 6:30 p.m.

2) Quarterly Work Session with the Commission to include a Joint Work Session with the Housing Commission – April 9, 2008 at 6:30 p.m.

3) Regular Session – April 16, 2008 at 6:30 p.m.

4) Council Hears Planning & Zoning – April 23, 2008 at 6:30 p.m.

On a motion by Smith, seconded by Kovacovich, the Consent Agenda was unanimously approved as presented.

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

Howard Parrish announced that next Wednesday, April 2, Ch. 3 will be in town to film the whole morning show from 5:00 to 9:00 a.m.; Friday, May 2nd, the Navajo County Posse will be bringing the mail down, and special mail to be picked up should be submitted by April 27th.

There was no further public input.

6. **Council Informational Reports**

Smith reported on his attendance at the Verde Valley Transportation Planning Organization meeting today and detailed the highway and road projects being completed as well as planned for the communities of Camp Verde, Clarkdale, Sedona, McGuireville and the Beaver Creek area. Smith also described the formation of the new Coordination Traffic Meeting and Land Use Committee for the purpose of identifying future transportation corridors in the Verde Valley. The Governor has approved \$60,000 for a bike study in the Verde Valley to increase tourism and alternate transportation.

Garrison said that the Sanitary District has called a special meeting for tomorrow at 5:00 p.m. in their office.

German reported that tickets are going fast for the Denim & Lace event Saturday, April 5th.

Hauser reminded everyone of the March On Meth scheduled for this Saturday, 10:00 a.m. in Cottonwood and described the activities planned; Hauser also mentioned the Canoe Race and the Highland Games being held Saturday.

Gioia reported that with the help of staff an appropriate letter has been drafted and sent to the Sanitary District, as agreed to by Council.

7. **Public Hearing, discussion, consideration, and possible approval of Ordinance 2008-A351, an Ordinance of the Town of Camp Verde, Yavapai County, Arizona, adopting an amendment to the Zoning Map of the Planning and Zoning Ordinance for Parcel 404-28-014G consisting of approximately 1.68 acres from R2-1 to C2. This rezoning is to allow for Commercial Development. This property is located south of the Bell Gas on Cliffs Parkway. Staff Resource Michael Jenkins**

On a motion by Smith, seconded by Garrison, the Council unanimously approved Ordinance 2008-A351, an Ordinance of the Town of Camp Verde, Yavapai County, Arizona, adopting an amendment to the Zoning Map of the Planning and Zoning Ordinance for Parcel 404-28-014G consisting of approximately 1.68 acres from R2-1 to C2; this rezoning is to allow for Commercial Development.

STAFF PRESENTATION

Sr. Planner Jenkins referred to an overhead projection showing the location of the subject property, the requested rezoning of which is in compliance with the General Plan Land Use Map. The requested commercial use is compatible with the adjacent properties and surrounding neighborhood, and is served by both the Camp Verde Water Co. and the Camp Verde Sanitary District. Jenkins reported that no responses have been received to the letters sent out, and outlined the comments received from the agencies contacted, including dedication of a drainage easement, and Fire Department requirements. The Planning & Zoning Commission has recommended approval; and staff is recommending approval.

PUBLIC HEARING OPEN

Applicant's Statement

Jack Sheehan, owner of the piece of property on the corner where the proposed Walgreen's development is, said that the rezoning request stemmed from the need for additional parking that is required by Walgreen's. Mr. Sheehan explained that with approval of the rezoning, the plan is to add a professional office for retail next to the Walgreen's development. Architect Joel Westervelt has prepared a plan for the complex that Mr. Sheehan anticipates using for the project. Mr. Sheehan confirmed that he and the architect will work toward incorporating the historical water tower into the design.

COMMENT FROM OTHER PERSONS

There was no comment from other persons.

APPLICANT'S REBUTTAL

No rebuttal was required.

PUBLIC HEARING CLOSED

Council Discussion

The members thanked staff for providing the overhead projections, commenting on how much that helps in making decisions. There was some discussion on one member's question on whether the rezoning on a property might be subject to reversion; it was suggested that the issue could be independently researched further. In response to concern about the drainage problem in the subject area, Jenkins explained that if the rezoning is approved, the Design Review Board will then consider the Civil Site Plan that the Town Engineer will have reviewed and addressed all drainage issues; the Town Engineer is well aware of the drainage issues and already has some tentative plans to address some of the flows and relieve some of the existing

drainage structures. Developers in that area will have to make improvements to the drainage as well.

8. **Public Hearing, discussion, consideration, and possible approval of Resolution 2008-742, a Resolution of the Town Council of the Town of Camp Verde, Arizona, approving General Plan Amendment 2007-03 that amends the Land Use Map of the General Plan for parcel 404-28-026E from high density residential to commercial. This amendment is to accommodate the development of a commercial plaza. The property is located on the corner of SR 260 by-pass and Cliffs Parkway. Staff Resource: Michael Jenkins.**

On a motion by Smith, seconded by Kovacovich, the Council unanimously approved Resolution 2008-742, a Resolution of the Town Council of the Town of Camp Verde, Arizona, approving General Plan Amendment 2007-03 that amends the Land Use Map of the General Plan for parcel 404-28-026E from high density residential to commercial; this amendment is to accommodate the development of a commercial plaza.

STAFF PRESENTATION

Jenkins said that the project is currently known as Verde Highlands; in 2004 the adjacent parcel received approval for a General Plan Amendment from High Density Residential to Commercial and a Zone Change from R1L-35 to C2-2. However, it was subsequently discovered that the subject parcel had been included in the footprint of the proposed building on the adjacent parcel 404-28-026B, and staff determined that the subject parcel 404-28-026E would require a General Plan Land Use Amendment and a Zoning Map Change. The Design Review Board had approved the proposed Verde Highlands Commercial Plaza in May, 2007. Only one letter has been received in opposition to the zone change request; a letter of concern was received that related to the proposed two-story building height. The neighborhood meeting was attended by six people, and Jenkins outlined the concerns expressed, including building heights, site grading, site and area drainage and site lighting. No objections were received from the agencies contacted. The Planning & Zoning Commission has recommended approval while expressing concern that buildings had been designed used both parcels, progressing even through Design Review with the need for the Amendment and Zoning Map change completely overlooked. The Design Review process has now evolved to a final hearing process where these types of problems will be revealed. Jenkins added that the project is proposed to be a Commercial Condo development where individuals will hold ownership of their tenancies. The developer will be required to return to the P&Z Commission and the Council with the Preliminary Plat, with review by the Town Engineer and staff, and then to the Council for approval of the Final Plat. Staff is recommending approval.

PUBLIC HEARING OPEN

Applicant's Statement

David Meier said that in order to keep the neighbors to the north happy, the original planned project became a commercial project that then brought the whole complex down to the southeast portion of the property which then required a change of zoning on the subject sliver of property. As far as the layout of the complex, Mr. Meier said that the neighbors would be looking out over the top of it.

COMMENT FROM OTHER PERSONS

There was no comment from other persons.

APPLICANT'S REBUTTAL

No rebuttal was required.

PUBLIC HEARING CLOSED

Council Discussion

Mr. Meier confirmed that the question of drainage has been well thought out, and **Krista Cline**, of SEC Engineering, said that the drainage area that is located in the ADOT right-of-way outside

of the property will not be affected by the proposed project, as well as the additional drainage along Cliffs Parkway, except for a small driveway crossing. The members discussed with Ms. Cline the issue of negotiating the drainage question with ADOT; Mayor Gioia advised staff to be cognizant of how that negotiation progresses; otherwise, if ADOT does not claim responsibility for the drainage issue, it would become the responsibility of the Town. The members discussed questions about a potential increase in traffic safety on Cliffs Parkway; Ms. Cline said that a traffic study has been done; also, the developer will be required to provide curbs, gutter and sidewalks. It was confirmed that the well on the property has been capped.

9. **Public Hearing, discussion, consideration, and possible approval of Ordinance 2008-A347, and Ordinance of the Town of Camp Verde, Yavapai County, Arizona, adopting an amendment to the Zoning Map of the Planning and Zoning Ordinance for parcel 404-28-026E consisting of approximately 1.06 acres from R2 to C2-2. This rezoning is to allow for commercial development. The property is located at the intersection of Cliff Parkway and Highway 260 on the Northwest corner. Staff Resource: Michael Jenkins**
 On a motion by Smith, seconded by Kovacovich, the Council unanimously approved Ordinance 2008-A347, an Ordinance of the Town of Camp Verde, Yavapai County, Arizona, adopting an amendment to the Zoning Map of the Planning and Zoning Ordinance for parcel 404-28-026E consisting of approximately 1.06 acres from R2 to C2-2; this rezoning is to allow for commercial development.

STAFF PRESENTATION

Jenkins said that the request for the zoning change from R1L-35 to C2-2 is for the purpose of accommodating the commercial development to be known as Verde Highlands, as outlined in the preceding presentation. Staff is recommending approval.

PUBLIC HEARING OPEN

Applicant's Statement

The applicant elected to make no further statement.

COMMENT FROM OTHER PERSONS

There was no comment from other persons.

APPLICANT'S REBUTTAL

No rebuttal was required.

PUBLIC HEARING CLOSED

Council Discussion

In connection with the commitments made during this evening's processes, and the question regarding whether a rezoning can be reversed, Mayor Gioia described a past zoning change that illustrated that the concepts that were presented to Council at the time the change was granted were not necessarily seen in the end. There was only a brief further discussion of the subject request and the issue of reversion of a zoning change.

10. **Call to the Public for Items not on the Agenda.**
Smith announced that he will not be present at the meeting scheduled for next week; he will be riding the Bradshaw Mountain historic trail.
11. **Advanced Approvals of Town Expenditures**
 1. **There are no advanced approvals.**
 There were no advanced approvals.
12. **Manager/Staff Report**
 There was no Manager Report.

13. Adjournment

On a motion by Hauser, seconded by German, the meeting was adjourned at 7:31 p.m.

Margaret Harper, 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 the 26th day of March 2008. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this _____ day of _____, 2008.

Debbie Barber, Town Clerk

**MINUTES
SPECIAL SESSION
MAYOR and COMMON COUNCIL
COUNCIL CHAMBERS
473 S. MAIN STREET, ROOM 106
Wednesday, March 19, 2008
5:00 p.m.**

1. **Call to Order**

Mayor Gioia called the meeting to order at 5:00 p.m.

2. **Roll Call**

Mayor Gioia, Vice Mayor Hauser, and Councilors Elmer, Garrison, German, Kovacovich, and Smith were present.

Also Present:

Attorney Bill Sims was present telephonically. Town Manager Michael Scannell, Public Works Director Ron Long, Community Development Director Nancy Buckel, and Town Clerk Deborah Barber were also present.

Mayor Gioia read the agenda items aloud. Following a motion by Kovacovich, seconded by Smith, the Council voted to discuss these items in Executive Session, pursuant to ARS §38-431.02(A)(4) for discussion or consultation with designated representatives in order to consider Council's position and instruct its representatives regarding negotiations on the development agreement and ARS §38-431.02(A)(3) for discussion or consultation with the attorney for legal advice.

The Special Session was adjourned at 5:03 p.m. and reconvened at 6:22 p.m.

3. **Discussion, consideration and possible direction to staff concerning negotiations on a proposed Development Agreement submitted by Verde Valley Properties, owner of approximately 56 acres of Commercially zoned property located along SR 260 between the intersection of Finnie Flat Road and Homestead Parkway.**

Mayor Gioia announced that Council directed staff to ensure that development pays for itself in every facet; ensure the development is an asset, not a liability; and ensure that development supports the Town in which it desires to become part of.

4. **Discussion, consideration, and possible direction to staff and/or discussion or consultation with the Town Attorney for legal advice concerning the Intergovernmental Agreement between the Town and the Camp Verde Sanitary District.**

Mayor Gioia announced that Council directed the Mayor to prepare a letter to Camp Verde Sanitary District outlining the Town's desires to move forward with the IGA and to include a closing date for a response.

5. **Adjournment**

The meeting was adjourned at 6:24 p.m. following a motion by Smith and seconded by Kovacovich.

Deborah Barber, Town Clerk

CERTIFICATION

I HEREBY CERTIFY THAT THE FOREGOING, minutes are a true and accurate accounting of the discussion of the Mayor and Common Council of the Town of Camp Verde during the Executive Session of the Town Council of Camp Verde, Arizona held on the 19th day of March 2008. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this _____ day of _____ 2008

**MINUTES
REGULAR SESSION
MAYOR AND COUNCIL
TOWN OF CAMP VERDE
COUNCIL CHAMBERS
WEDNESDAY, MARCH 19, 2008
6:30 P.M.**

Minutes are a summary of the actions taken. They are not verbatim.
Public input is placed after Council motions to facilitate future research.
Public input, where appropriate, is heard prior to the motion.

1. **Call to Order**

The meeting was called to order at 6:30 p.m.

2. **Roll Call**

Mayor Gioia, Vice Mayor Hauser, Councilors Smith, Garrison, Kovacovich, German and Elmer were present.

Also Present: Town Manager Mike Scannell, Town Attorney Bill Sims *by telephone conference*, Community Development Director Nancy Buckel, Parks & Recreation Director Lynda Moore, Town Clerk Debbie Barber, and Recording Secretary Margaret Harper.

3. **Pledge of Allegiance**

The Pledge was led by German.

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) March 12, 2008 – Joint Work Session with the Library Advisory Commission
- 2) March 12, 2008 – Special Session
- 3) March 12, 2008 – Executive Session (taped)
- 4) March 5, 2008 – Regular Session
- 5) March 5, 2008 – Executive Session
- 6) February 27, 2008 – Council Hears Planning & Zoning

b) **Set Next Meeting, Date and Time:**

- 1) Council Hears Planning & Zoning – March 26, 2008 at 6:30 p.m.
- 2) Regular Session – April 2, 2008 at 6:30 p.m.
- 3) Quarterly Work Session with the Commissions to include a Joint Work Session with the Housing Commission – April 9, 2008 at 6:30 p.m.
- 4) Regular Session – April 16, 2008 at 6:30 p.m.
- 5) Council Hears P&Z – April 23 at 6:30 p.m.

c) **Possible award of contract for CDBG Project #108-07, Senior Center Improvements to RC Homes and Development for \$57,805.00 to include the alternates, excluding Change Orders, and authorization for the Mayor to sign the Contract documents.**

d) **Possible approval of Resolution 2008-744, a Resolution of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona, declaring the Mayor, Vice Mayor, Finance Director, and Town Clerk as the authorized bank account signers for all bank accounts held by the Town of Camp Verde.**

e) **Possible approval of Resolution 2008-743, a Resolution of the Mayor and Council of the Town of Camp Verde, Arizona, declaring as a Public Record that certain document filed with the Town Clerk and entitled "The 2008 Amendments to the Tax Code of the Town of Camp Verde".**

f) **Possible approval of Ordinance 2008-A353, an Ordinance of the Mayor and Council of the Town of Camp Verde, Arizona, relating to the Privilege License Tax; adopting "The 2008 Amendments to the Tax Code of the Town of Camp**

Verde” by reference; establishing an effective date; providing for severability and providing penalties for violations.

- g) Possible approval of the FY 2008-09 proposed budget calendar.**
- h) Possible authorization for the Trails & Pathways Commission representatives to continue to represent the Town at the Verde Valley Regional Trails Plan meetings and to report on these meetings during the regularly scheduled Trails & Pathways Commission meetings.**
- i) Possible approval of Proclamation declaring April as “Substance Abuse Awareness Month” in Camp Verde.**

On a motion by Hauser, seconded by German, the Consent Agenda was unanimously approved as presented, with the exception of Items e) and i).

Councilor German requested that the record reflect that he was not present for the meetings of March 5th, either the Regular or Executive, and/or the February 27th meeting; he will abstain from voting on approval of the Minutes of those three meetings.

Councilor Garrison referred to Item 4.b)3) to point out that the Town Code provides for Quarterly Reports to be presented to Council on the first regular meeting of each calendar quarter; and is concerned that the second week cannot be used for quarterly reports. *Gioia said that the Clerk will address that question; there was also comment that procedure was being followed properly.*

Garrison requested that Item 4.e) be pulled; Hauser said she would like to read the Proclamation and Item 4.i) was pulled.

- e) Possible approval of Resolution 2008-743, a Resolution of the Mayor and Council of the Town of Camp Verde, Arizona, declaring as a Public Record that certain document filed with the Town Clerk and entitled “The 2008 Amendments to the Tax Code of the Town of Camp Verde”.**

On a motion by Hauser, seconded by Garrison, the Council unanimously approved Item e) as set forth.

Garrison said she wanted the public to be aware of what was being approved by this item, confirming that it dealt with solar energy and that there would be no tax impact on the public.

- i) Possible approval of Proclamation declaring April as “Substance Abuse Awareness Month” in Camp Verde.**

On a motion by Elmer, seconded by German, the Council unanimously approved Item i) as set forth.

Vice Mayor Hauser read the complete wording of the Proclamation to stress for the public the importance of the issue of substance abuse.

5. Call to the Public for Items not on the Agenda.

(Comments from the following individuals are summarized.)

Howard Parrish reported that the Camp Verde Cavalry won First Equestrian Color Guard in Sedona over the weekend; Ch. 3 has contacted him regarding the April 2nd segment; Parrish gave a report on the upcoming annual Lakeside-Pinetop Sheriff's Posse mail ride and how to send mail with them.

Greg Freeman said that he is the newest member of the Sanitary District Board, and explained that the Board members are beginning to prioritize the several issues facing them, including the IGA entered into between the Town and the Board in 2007; they are working to rectify the breach that the District may have created in connection with the draw requests, and trusts that the Town will likewise take steps to close the breaches that may have been created by the Town.

There was no further public input.

6. Council Informational Reports

German thanked the community for their comforting support of the German family during the recent loss of his brother.

Elmer reported that the baseball teams have been picked and practices are starting; everyone is looking forward to a great baseball season.

Hauser said the Verde Watershed Association meeting this morning was very interesting; it is now time to join as a member. HB 1575, the water adequacy bill, has been approved by Cochise County and the City of Patagonia. Hauser reminded everyone of the Canoe Challenge on March 29th and the March on Meth that same day; the Easter Egg Hunt is Saturday morning beginning at 8:00 a.m.

Smith wished everyone a Happy Easter and Good Friday.

Garrison congratulated Ben and his wife on their new baby boy; she is the Liaison to the Sanitary District and was glad that Greg Freeman addressed the current issues; Garrison said that the decision was made to extend on an emergency basis the Arizona Engineering Contract to fill in Rick Spears' position until a replacement is found.

Gioia reported on his dealing with the State Legislature on HB 2772, as well as the current water legislation which he will oppose on behalf of the Town; he also attended a water bill signing by the Governor that provided an opportunity to discuss water issues further with the Governor. Gioia also reported on attending the Mayor/Manager meeting and the support on water issues offered by the Chairman of the Yavapai-Apache Nation in connection with his upcoming trip to Washington D.C.. Gioia rode in the Sedona St. Patrick's Day Parade in an Out of Africa Hummer with boa constrictors for company.

- 7. Discussion, consideration, and possible approval of an appeal to the Mayor and Town Council concerning the Town's Building Department charging impact fees in the amount of \$4,756.00 for Building Permit #2007389 for the installation of new electrical pedestals for spaces 72 and 73 within Buffalo Run Mobile Home Park as submitted by Michael Thieme Attorney, agent for Gary and Beverlee Jones, owners.** There was no action taken; therefore, approval of the appeal is denied.

Bill O'Leary, attorney for the owners of the subject Mobile Home Park, outlined his argument in support of the appeal that the owners had received a permit from the Town several years ago to expand and add space to the Park. The expansion included building roads, installing electricity, water, additional septic; everything was completed except for installing all the pedestals which routinely is done after a home has been pulled into place. The two subject spaces were added after the Development Code was adopted; when the owners requested permits for installing the pedestals, the Development Fee was then charged, which Mr. O'Leary asserts was in error since the spaces had been approved and it was not a new development but only the completion of what had been approved by the Town. The Park is a low-cost facility, and the fees being imposed would make any use cost-prohibitive and a hardship on the residents.

Community Development Director Buckel said that there is no loophole in the Code that would allow any waiver under special circumstances. The Code requires that the impact fee is imposed at the time the permit is pulled. The owners did pay for a rezoning and a grading permit; when infrastructure is put inside an owner's property no permits are required. Nowhere in the paperwork is the issue of the additional spaces addressed. Over time the owner is expanding his rental base which will result in more individuals coming into the community and requiring services; that is what impact fees are for. They were imposed when the permits were pulled for

the pedestals which attach to the owner's property, who therefore bears the burden of the impact fee.

Town Attorney Sims confirmed that Director Buckel had correctly followed the Code regarding the basis for charging impact fees.

There was no public input.

8. Discussion with the Camp Verde Youth Commission and possible authorization to staff to designate the metal building located next to the new Marshal's Office as the future site for the Camp Verde Teen Center.

On a motion by Hauser, seconded by Garrison, the Council unanimously authorized staff to designate the metal building located next to the new Marshal's Office as the site for the Camp Verde Teen Center.

Two members of the Youth Commission, together with input from Joe Perez, outlined their request to designate the subject building to make the Teen Center a reality with the support and help of Town Staff and the Youth Development Team.

Parks & Recreation Director Moore explained that they had to forget the idea of using the old Marshal's Office building because it can never be brought up to Code. The members discussed with the Youth Commission representatives and Joe Perez the issues of operating costs, staffing which will be assisted by volunteers, potential funding by Youth Count, affiliating with the Boys & Girls Club organization, and donations of materials and funding, all of which are dependent upon commitment of a building for the Teen Center. A representative from the Boys & Girls Club was also present to confirm their potential support. Gioia reminded all those who had offered support for a Teen Center in the past that now is the time to come forward.

PUBLIC INPUT

(Comments from the following individuals are summarized.)

Rick Parks outlined two concerns including the cost of liability insurance, and the issue of sufficient parking space.

Tom Nielson commented on the location of the building.

There was no further public input.

9. ~~Presentation of the February 2008 Financial Report by Lisa Elliott.~~ (Staff Resource: Lisa Elliott) **THIS ITEM WILL BE HEARD ON APRIL 2, 2008.**

10. Discussion, consideration, and possible direction to staff as it relates to the construction of an AB gravel road off of Moser, parallel to Montezuma Castle Highway as the entrance to Black Bridge Park and the use of portable toilets with privacy walls as the restroom facility if permitted by Yavapai County.

On a motion by Gioia, seconded by Smith, the Council voted unanimously to direct staff to move forward with both the AB for the roadway in that particular area as outlined on the depiction, and to move forward with the restrooms as set forth by the proposal of staff and in the depiction.

Director Moore reviewed the contacts she had with the Town Engineer and the County Environmental Services that led to the conclusion that it would be better for the Town to use portable toilets with privacy walls as the restroom facilities. Moore also confirmed that the grant money can be used for any purpose within the scope of work; however, the SLIF grant does not pay for paved roads.

There was no public input.

11. Discussion, consideration, and possible appointment of Rodger E. Overholser to the Magistrate position, direction to staff to negotiate a 2-year contract.

On a motion by Smith, seconded by Garrison, the Council unanimously appointed Rodger E. Overholser to the Magistrate position, and directed staff to negotiate a 2-year contract.

Town Manager Scannell reviewed the steps taken to recruit for the position of Magistrate and the interviews of three of eight applicants, and the decision to offer the position to Mr. Overholser. That was followed up by a thorough background check leading to an offer of employment which Mr. Overholser has accepted and signed a two-year contract pending approval by the Council.

12. Discussion, consideration, and possible direction to staff relative to permitting alcohol sales and/or consumption on Town-owned property and at Town-sponsored events.

Staff was directed to set a time line for the Parks & Recreation Commission to have a public hearing on the subject, and to come back to Council with a recommendation from the Commission allowing appropriate time for notification of public to give them the chance to address Council on the issue.

Garrison explained that she had requested the agenda item in order to determine whether the Council would be willing to place the issue on the agenda for an up or down vote in the near future. Garrison outlined her objection to allowing alcohol at Town events including concern for liability issues, and the fact that, contrary to the argument for changing the Code in 2002 in order to make a profit on events, the sale of alcohol has not resulted in profits. Even though the sale of alcohol has been turned over to outside groups, Garrison said that because of liability the Town is just one accident away from being in serious trouble; she also reviewed the different attempts to handle problems from sales of liquor, all of which have proven to be unsuccessful.

The members discussed Council Garrison's request to further consider the issue of alcohol at Town events and to make a decision one way or the other, and generally agreed that the matter should be brought back as requested, and also to ask for a recommendation from Parks & Recreation as well.

Moore pointed out that the Verde Valley Rangers have paid for all their insurance for this year, and that will include the Pecan & Wine Festival and Fort Verde Days; Gioia said that also will be considered in the discussion.

PUBLIC INPUT

(Comments from the following individual are summarized.)

Tom Nielson said that back in 1986 the Council had passed the ordinance banning liquor from the events.

There was no further public input.

A recess was called at 7:53 p.m.; the meeting was called back to order at 8:03 p.m.

13. Discussion and possible reconsideration of the February 27, 2008 Council direction to staff to "research past Minutes to determine what previous Councils have done and said on the issue; implement a rapid process to identify the scope of legal and illegal non-conforming uses; allow for a response from Zellner's attorney, and then come back to Council with a recommendation". This direction was related to Canyon Wood Supply (formerly Zellner's Woodyard).

A motion by Smith to direct staff to resolve the problem by finding out all the facts for a fair and objective assessment of both sides of the issue, **failed** for lack of a second.

On a motion by Garrison, seconded by German, the Council voted 4-3 to reconsider the direction to staff on February 27th 2008 on the Canyon Wood Supply; with 'no' votes by Smith, Kovacovich and Elmer.

Staff was directed to determine the appropriateness of the business license for the property owners, the parcel, and if in the quest of determining the appropriateness of the business license, staff determines there has been a change in ownership to come back to Council with a recommendation as to how to proceed in light of the change in ownership; it could be that under the agreement between the Zellners and the Town that with the change of ownership there may have to be a reversion back to the prior use; it is premature to make that decision tonight until staff comes back with the facts.

Smith said he wanted to make a point of order: This is a reconsideration of a vote already taken; according to Robert's Rules the vote is up or down, there is no discussion. Smith then made his motion that failed for lack of a second.

Garrison explained that she did not have a good working knowledge of the facts of what was being looked at when staff was given the subject direction; a lot of the issues that staff had been directed to look into have been handled by the Board of Adjustments in 2000 and again in 2003 and both times were upheld. Garrison said there are attorneys already looking into it; the Fire Department is taking care of their end of it, Canyon Wood is working on the problems. Smith said he believes that Canyon Wood does not have a valid business license and displayed a copy of the license in effect which only applies to the original parcel, not the surrounding parcels that are also in use right now. There was discussion regarding the need to go back to the beginning to establish what the use was at the time the zoning overlay was placed on the property by the County which was assumed by the Town at the time of incorporation, and whether the ruling by the Board of Adjustments was valid if based on faulty information. The issue of Prop. 207 and effect on surrounding property owners was raised.

There was a question as to whether non-conforming uses or structures are transferable to other parcels not covered by the original non-conforming use or structure. Town Attorney Sims confirmed that a non-conforming use cannot be expanded. Government cannot pass a zoning ordinance and limit the existing property owner's right. It will be necessary to go back to when the County adopted zoning to find out what was the scope of the non-conforming use. The property owner has no right to expand or transfer that non-conforming use because the law protects the user at the time of the zoning change, not to let him or her change it forever. The agreements by the Town to in effect allow expansion of the non-conforming use may not have been properly approved. However, the Zellners could claim that they were permitted to expand their use because Town officials had said it was okay. But it was approved under an agreement that said if you no longer operate the business it reverts back; that is an enforceable obligation. The right course of action is to pursue whether or not they ever had a valid business license.

Sims recommended that the Town direct staff to look at the property owners and see if they have a current license; in doing that staff will have to address whether or not it is an appropriate non-conforming use, which may require going back to look to see what was occurring when the County zoned. But only for this property, not all the other properties. If they do not, request that they apply for a license. At that time it will be necessary to determine whether there has been a change of ownership; if the answer is 'no', then under the 2001 decision they get to continue the use. If the answer is 'yes' the property reverts back to the non-expanded use, which will restrict the use of the property.

PUBLIC INPUT

(Comments from the following individuals are summarized.)

Clinton Gray said he was the one who filed the complaint with the Board of Adjustments; Vice Mayor Hauser was on the Board at that time. He understood that he was right, but if the Board

voted his way the owners would be back to where they were originally. He does not believe it was researched from the beginning.

Theresa Proper said that the Town had the right to go back and research the issue; the Zellner family has been doing business on all those pieces of property for years. In defense of the Zellners Ms. Proper reviewed in detail the history of the Zellner family activities, contacts with and permission from the Town departments, and contributions to the community.

Bryan Bonham, a resident for 3-1/2 years, said the lumber yard was not a big problem when he first moved to Town, but the noise level has increased to where it sounds like Daytona and keeps getting worse. He started to directly criticize Councilor Garrison for making misleading statements. *Mayor Gioia interrupted him and cautioned him about personally attacking a member; Councilor Garrison briefly defended herself against the criticism..*

Stacy Barker invited the Council members to his deck; he will have coffee and doughnuts; everyone can experience what is going on from early morning to evening.

There was no further public input.

Scannell summarized his understanding of the direction to staff as follows: The former action was rescinded; the follow-up action being proposed is to draft a letter to the business owner on Parcel 69, Canyon Wood Supply; inquire as to whether or not they have a valid business license operating in the Town of Camp Verde, a yes or no; is not, ask them to bring themselves into compliance with the business license ordinance; that will result in a referral to the Community Development Department for a review of the zoning; that will ultimately serve as a determining factor in whether the activity on that particular site is acceptable. We would take the data that was gathered, return to the Council at the next business meeting following completion of our research, and share with the Council the data collected. The Council will then make the decision about how best to proceed.

14. Call to the Public for Items not on the Agenda.

There was no public input.

15. Advanced Approvals of Town Expenditures

a. There are no advanced approvals.

There were no advanced approvals.

16. Manager/Staff Report

Scannell reported on revisions that have been made to the Town's Policy Manual regarding notification to people, businesses or individuals, with respect to issues to be discussed on agendas that may affect those persons or businesses.

Barber announced that placement of the bathroom is under way; there will be a party on March 28th.

17. Adjournment

On a motion by Hauser, seconded by Kovacovich, the meeting was adjourned at 8:51 p.m.

Tony Gioia, Mayor

Margaret Harper, 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 the 19th day of March 2008. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this _____ day of _____, 2008.

Debbie Barber, Town Clerk

**TOWN OF CAMP VERDE
Council Agenda Action Form**

Meeting Date: April 2, 2008

Meeting Type: Regular

Type of Presentation: Visual

REFERENCE DOCUMENT: Fiscal Year 2006/2007 and 2007/2008 Financial Reports

AGENDA TITLE: (Be Exact): Possible approval of the transfer of funds from the HURF account at the Local Government Investment Pool (LGIP) to the General Fund account at the Local Government Investment Pool (LGIP).

PURPOSE AND BACKGROUND INFORMATION: As of June 30, 2007, the HURF Fund owed the General Fund \$1,343,200.44. As of February 29, 2008, the HURF account at the Local Government Investment Pool (LGIP) has a total of \$1,211,211.10. Though this is not enough to cover the amount owed by the HURF Fund to the General Fund, the remaining balance can either be set up as an amount due to the General Fund or as an Operating Transfer from the General Fund to zero out the deficit in the HURF Fund. Staff recommends leaving a small amount of money (\$1,000) in the HURF account at LGIP to keep the account open in the event that the HURF Fund has excess revenues in the future to set aside.

The HURF account at LGIP has earned a total of \$39,664.13 in interest in the current fiscal year that will be transferred to the General Fund. This transfer is being made because the monies which earned this interest should have already been transferred to the General Fund, thus allowing the General Fund to earn the interest. This transfer will increase the amount due to the General Fund by the HURF Fund by the same amount as the transfer will reduce the HURF Fund's revenues that are used to offset its expenditures.

At the January 30, 2008 Council meeting, staff presented to Council a series of Operating Transfers totaling \$725,917 from the Capital Improvements Fund (CIP Fund) to the HURF Fund. This transfer is to cover various projects that the Town desired to complete in the current fiscal year along with covering a \$140,000 deficit from the current fiscal year operations. These transfers will cover the costs for the current fiscal year operations. The transfer from the HURF's LGIP account is not affected by these transfers.

STAFF RECOMMENDATION(S): (Suggested Motion) Transfer all funds in excess of \$1,000 from the HURF Fund's account (account 5710) at the Local Government Investment Pool to the General Fund Account (account 5708) at the Local Government Investment Pool to cover the amount owed by the HURF Fund to the General Fund. Make an Operating Transfer from the General Fund to the HURF Fund for the remainder of the amount owed by the HURF Fund to the General Fund to zero out the deficit in the HURF Fund at year end of June 30, 2008.

Type of Document Needing Approval: Acceptance/Approval

Finance Director Review

Budgeted/Amount n/a

Comments:

Fund: 20-00-00

Line Item: 1100

Submitting Department: Finance Department

Contact Person: Michael Scannell

Town Manager/Designee:

Please Note: You are responsible for checking out, setting up, and returning all special equipment to the Clerk's Office.

**TOWN OF CAMP VERDE
Council Agenda Action Form**

Meeting Date: April 2, 2008

Meeting Type: Regular

Type of Presentation: Visual

REFERENCE DOCUMENT: February 2008 Financial Report

AGENDA TITLE: (Be Exact): February 2008 Financial Update Report

PURPOSE AND BACKGROUND INFORMATION: Staff would like to update Council on the financial status of the Town with regards to revenue updates and projections for the end of the fiscal year.

STAFF RECOMMENDATION(S): (Suggested Motion)Acceptance of Financial Update Report

Type of Document Needing Approval: Presentation/Report Only

Finance Director Review

Budgeted/Amount n/a

Comments:

Fund:

Line Item:

Submitting Department: Finance Department

Contact Person: Lisa Elliott

Town Manager/Designee:

Please Note: You are responsible for checking out, setting up, and returning all special equipment to the Clerk's Office.

**TOWN OF CAMP VERDE
Council Agenda Action Form**

Meeting Date: Apr 2, 2008

Meeting Type: Regular Session

Type of Presentation: Verbal Only

REFERENCE DOCUMENT:

AGENDA TITLE: (Be Exact):

Discussion, consideration, and possible development of issues and concerns to include in the Annual Policy Statement that allows the Mayor to act on behalf of the Council when there are extremely short time constraints. Examples of such items might include legislation that impact State Shared Revenues or the Verde River.

PURPOSE AND BACKGROUND INFORMATION:

This is a follow-up to the 3-5-08 Regular Session, Council authorized the Mayor to (1) support legislation that protects the ground water aquifer Verde River Basin; (2) oppose legislation that compromises the integrity of the ground water aquifer Verde River Basin; (3) support legislation that maintains the State Shared Revenues; (4) oppose legislation that erodes State Shared Revenues; (5) support legislation that maintains land use authority for municipalities in Arizona; and/or (6) oppose legislation that erodes the land use authority for municipalities in Arizona. It was also suggested Council members bring back other related items to discuss at the March 19th meeting.

STAFF RECOMMENDATION(S): (Suggested Motion)

Move to include (specific items as discussed and agreed) in the Annual Policy Statement and direct staff to include a section in the Town Code that sets a time and date, such as the first meeting in January of every year, for the development of the Annual Policy Statement.

Type of Document Needing Approval:

Finance Director Review

Budgeted/Amount

N/A

Comments:

Fund:

Line Item:

Submitting Department: Clerk

Contact Person:

Debbie Barber

Town Manager/Designee:

Please Note: You are responsible for checking out, setting up, and returning all special equipment to the Clerk's Office.

**TOWN OF CAMP VERDE
Council Agenda Action Form**

Meeting Date: Apr 2, 2008

Meeting Type: Regular Session

Type of Presentation: Verbal Only

REFERENCE DOCUMENT:

AGENDA TITLE: (Be Exact):

Discussion, consideration, and possible development of a Mayor and Council Mission Statement and Performance Objectives to be included in the FY 08-09 Budget Booklet.

PURPOSE AND BACKGROUND INFORMATION:

Each department budget will have a section describing their Mission Statement and Performance Goals for the upcoming year. Since there is a Council budget, Council may wish to consider developing a Mission Statement and a few goals that we plan to accomplish over the next fiscal year. An example of a Mission Statement might be "Elected to Serve".

STAFF RECOMMENDATION(S): (Suggested Motion)

Move to include include a Mission Statement and Goals in the FY 08/09 Budget.

Type of Document Needing Approval:

Finance Director Review

Budgeted/Amount: N/A

Comments:

Fund:

Line Item:

Submitting Department: Council

Contact Person: Mayor Gioia

Town Manager/Designee:

Please Note: You are responsible for checking out, setting up, and returning all special equipment to the Clerk's Office.

**TOWN OF CAMP VERDE
Council Agenda Action Form**

Meeting Date: April 2, 2008

Meeting Type: Regular Session

Type of Presentation: Verbal Only

REFERENCE DOCUMENT: Sanitary District Alternate Liaison in Norma Garrison's Absence

AGENDA TITLE: (Be Exact):

Discussion, consideration and possible appointment of a Councilmember or direction to Manager to appoint a staff member to serve as the Sanitary District Alternate Liaison, attend meetings (including the April 9, 2008) and have reporting responsibilities in Councilmember Norma Garrison's absence(s).

PURPOSE AND BACKGROUND INFORMATION:

I am seeking your guidance on how to staff attendance and reporting responsibilities of the Sanitary District Meetings in Councilmember Norma Garrison's absence(s). Councilmember Garrison will be out of the office and unable to attend the April 9, 2008 Sanitary District meeting. There may be other occasions when she cannot attend a District meeting. Therefore, Council may elect to appoint a Councilmember or direct the Manager to appoint a staff member as the Sanitary District's Alternate Liaison. This individual would attend meetings (including the April 9, 2008 session) and provide a verbal report to Council on the Sanitary District substantive issues.

STAFF RECOMMENDATION(S): (Suggested Motion)

Appoint Councilmember (or direct the Manager to appoint a staff member) to serve as the Sanitary District Alternate Liaison, attend meetings (including the April 9, 2008) and have reporting responsibilities in Councilmember Norma Garrison's absence(s).

Type of Document Needing Approval:

Finance Director Review

Budgeted/Amount

Yes

Comments:

Fund:

Line Item:

Submitting Department: Administration/Manager

Contact Person: Michael K. Scannell

Town Manager/Designee:



Please Note: You are responsible for checking out, setting up, and returning all special equipment to the Clerk's Office.

**TOWN OF CAMP VERDE
Council Agenda Action Form**

Meeting Date: April 2, 2008

Meeting Type: Regular Session

Type of Presentation: Verbal Only

REFERENCE DOCUMENT: Rio Verde Plaza Leases and Rental Income

AGENDA TITLE: (Be Exact):

Discussion, consideration and possible direction/guidance to the Manager concerning restructuring the Rio Verde Plaza leases and rental amounts.

PURPOSE AND BACKGROUND INFORMATION:

Rio Verde Plaza was purchased by the Town in February 2005. The building is located at the corner of Main Street and Fain Street, Camp Verde, AZ. The facility currently has 5 rental units (originally there were 6 units) . One lessee occupies square footage equal to 2 units and their rent is \$1000. Lease amounts vary from \$300 to \$600 on the other 5 units depending on the square footage and other unique considerations. The last lease update was in August 2006. The leases need restructuring, updating and formatting as a commercial lease (rather than residential).

As of March 2008 lease prices range from .65/sq. ft. to \$1.00/sq. ft. Additionally, most lessors charge triple net and sales tax. However, please note: there are significant vacancies vs the Town's January 2007 analysis.

STAFF RECOMMENDATION(S): (Suggested Motion)

Direction/guidance to the Manager concerning restructuring the Rio Verde Plaza leases and rental amounts.

Type of Document Needing Approval:

Finance Director Review

Budgeted/Amount

Yes

Comments:

Fund:

Line Item:

Submitting Department: Administration/Manager

Contact Person: Michael K. Scannell

Town Manager/Designee: 

Please Note: You are responsible for checking out, setting up, and returning all special equipment to the Clerk's Office.

**TOWN OF CAMP VERDE
Council Agenda Action Form**

Meeting Date: Apr 2, 2008

Meeting Type: Regular Session

Type of Presentation: Verbal Only

REFERENCE DOCUMENT: Resolution 2000-447

AGENDA TITLE: (Be Exact):

Discussion, consideration, review, and possible recommendation for changes to the Town's existing Complaint Procedures with regard to acceptance and subsequent interoffice communication. This discussion may include the Council Correspondence and Mail Distribution Policy as outlined in Resolution 2000-447, Item 10, followed by possible direction to staff as it relates to the complaint procedures and correspondence policy.

PURPOSE AND BACKGROUND INFORMATION:

Council recently received a citizen complaint by e-mail. After checking with the Manager, I discovered that he had no knowledge of the complaint. Further research showed that all correspondence addressed to the Mayor and/or Council is handled as directed by Resolution 2000-447, Section 10, Mail Distribution. Complaints directed to Council and not submitted on the Citizen's Complaint Form do not trigger the Complaint Procedure guidelines. Without impacting a citizen's right to contact their elected officials, there should be a mechanism established so that complaints can proceed through the Complaint Procedures.

STAFF RECOMMENDATION(S): (Suggested Motion)

When a complaint comes directly to a Council member or the Council as a whole, the Council member, and that member feels that the complaint should be investigated, may forward the complaint to the Manager through the Mayor. This action will trigger the Town's formal complaint procedures. Council will be notified of the resolution of said complaint and a copy will be kept on file in the Clerk's Office.

Type of Document Needing Approval:

Finance Director Review

Budgeted/Amount

N/A

Comments:

Fund:

Line Item:

Submitting Department: Council

Contact Person: Charlie German

Town Manager/Designee:

Please Note: You are responsible for checking out, setting up, and returning all special equipment to the Clerk's Office.

Town of Camp Verde Citizen Complaint Procedures

The Town of Camp Verde has initiated a policy for receiving citizen complaints to ensure a fair review of concerns of the public about the performance of Town Staff and employees. In most cases a matter can be resolved by discussion in person with the employee, but if you believe there has not been an adequate response or resolution of the problem, the procedures to follow are:

1. Complaints against employees for reasons not associated with their employment by the Town will not be considered.
2. You must sign and date a written complaint and deliver it to Town Hall. The Complaint should state specific facts and dates and have attached any pertinent documents supporting the claim. If you include comments or statement by other witnesses, their statements must be part of the complaint, also dated and signed. Once the complaint is submitted, it will not be expanded to matters not alleged, nor include other witnesses or documents not submitted.
3. The Town Manager has ten (10) days to pass the complaint onto the appropriate department head for action. During this time, the Manager may also return the complaint if it is not filed in accordance with this policy; or direct you to other avenues of relief that are applicable, such as appeals to the Board of Adjustment for zoning decisions or the Marshal's Office or Magistrate Court on criminal matters.
4. The Department Head has ten (10) days after delivery of the complaint by the Manager to respond in writing and this response will be mailed to you and filed with the Manager. If the response is not satisfactory to you, then you have a reasonable time to request that the Manager also review the matter and he will attempt to resolve the problem. He will then notify you of his decision and any additional comments or information he may have concerning the complaint. The decision may be that he concurs with the response of the Department Head, that additional corrective action will be taken in accordance with the Personnel Manual or that the matter will be placed on the Council agenda.
5. If you are not satisfied with the response of the Manager, you will have an additional thirty (30) days from receipt of his decision to discuss the problem with members of the Council, and if at least three (3) Council members agree to sponsor the item, it will be scheduled for the next regular Council session. Council members will already have been provided a copy of the complaint, the responses of the department and the decision of the Manager.

Guidelines for Council Review

The Council cannot sit as an adjudication body. This will not be a trial. The review by the Council is limited to making sure the above policy has been followed, allow you an opportunity to address the Council directly, and then make a decision to affirm the responses, take no action, call for an executive session or take other appropriate action. No new documentation or allegations can be added to the complaint and you must make the presentation yourself. The employee may also address the Council or can elect to rely on the responses of record.

Please sign and date this notice that you have read and understand the procedures:

Name _____ Date _____

Address _____

RESOLUTION 2000-447

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CAMP VERDE, YAVAPAI COUNTY, ARIZONA, ESTABLISHING MEETING POLICIES AND PROCEDURES FOR COUNCIL AND ALL TOWN COMMISSIONS

WHEREAS, the Legislature has made substantial modifications to the Open Meeting Law (OML), ARS Sections 38-431 through 38-431.09, effective July 18, 2000, and

WHEREAS, changes in the law concerning executive sessions, meetings, open calls to the public and enforcement should be adopted by the Council as a policy and procedural directive to staff, and

WHEREAS, it would be in the best interest of the Town to adopt policies and procedures for meetings applicable not only to the Council but also its boards, commissions, and committees, collectively named "public bodies" herein,

NOW THEREFORE THE COUNCIL RESOLVES AS FOLLOWS:

- 1. Meetings.* A meeting by less than a quorum of a public body is permissible under the OML, and is at times necessary to prepare for Town business or obtain information concerning pending or future agenda items. Violations of OML could occur if ideas are shared from a meeting of less than a quorum of members of a public body with intent to circumvent the OML, whether by one of the members attending, or an intermediary, such as a member of the staff, or a member of the public. Discussions concerning Town business that result in a quorum by whatever means must be done in a public meeting.
- 2. Calls to the Public.* The OML now allows an open call to the public to allow individuals to address the public body on any issue within its jurisdiction, subject to reasonable time, place, and manner restrictions. Pursuant to Section 2-3-7.E, remarks shall be limited to 5 minutes, unless the Mayor or chair for good cause modifies the time limits. At the conclusion of the call to the public, individual members of the public body may respond to criticism made by those who have addressed the public body, may ask staff to review a matter, or may ask that a matter be put on a future agenda.

The public body may not otherwise discuss or take legal action on matters raised. Public input will normally be allowed on all agenda items of the public body except the consent agenda, staff updates, reports by members of the public body, and advance approvals.

3. *Executive Sessions.* The Council may instruct its attorneys or representatives regarding contracts that are the subject of negotiations, in pending or contemplated litigation, or in settlement discussions conducted in order to avoid or resolve litigation. Agenda items in executive sessions must specifically refer to the matter as well as the statutory authority for the session, and minutes reflect the instructions given to the attorneys. To prevent the public from having to wait an indefinite period while an executive session is in progress, if the Council cannot comfortably fix a time to reconvene, the Council will wait until a special session is posted, or the next normal meeting date, to take action on the item.

4. *Current Events Summary.* The Mayor, chair, or Manager may recite a brief summary of current events without listing in the agenda the specific matters to be summarized, provided that the summary itself is listed on the agenda, and the public body does not propose, discuss, deliberate or take legal action on any of the matters, unless the matter was specifically listed in the summary for legal action.

5. *Enforcement.* The public body and staff will cooperate in written investigative demands by the County Attorney or Attorney General investigating a complaint of a violation of the OML, and supply the information requested by subpoena, written statements, and depositions. All requests shall come through and responses reviewed by the Town Attorney, or special counsel retained by the Council, to maintain the independence of the investigation. Under the expanded liability provisions of the OML, any person found violating the law, or knowingly aiding another to violate the law, may be ordered to pay a civil penalty not to exceed \$500 for each violation, and, in the case of a public officer, be removed from office and assessed attorneys fees and court costs.

6. *E-Mail.* A "meeting" under ARS 38-431.4 now includes gathering in person or through technological devices. This would mean e-mail or communications through wireless PDA

devices could constitute a meeting by members of the public body and/or staff, and is subject to the same policy as set forth in "meetings" above. E-mail communications between members of the public body concerning public business are also considered public records, and the originator will send a copy to the Town Clerk who will print a hard copy in a separate file for public inspection. E-mail cannot be used by staff or members of the public body to conduct straw polls on municipal issues, or discuss Town business by a quorum or more of its members. If e-mail is used by staff or members of a public body to distribute informational material or web sites, it should not be made with the intention of soliciting responses and deliberations on the topic. Whenever possible, e-mail should not be used to communicate with the Town Attorney concerning pending litigation or requests for legal advice.

7. Legal Opinions. If there is a legal issue concerning an agenda item, the Town Attorney or legal counsel may be requested by the Mayor, after direction by the Council, to provide a written opinion to Council, call for a vote for an executive session, or to discuss the matter with the interested Council member in private, rather than give impromptu opinions during the meeting. The Town Manager may also request a formal written opinion in advance of a meeting. This would not prevent the attorney from responding to questions on procedures, or explaining the provisions of forms or documents related to the agenda items.

8. Correspondence. Procedure for handling correspondence will depend on which of the following categories are applicable:

- Incidental correspondence are routine items that do not set policy for the Town, such as acknowledging receipt of documents, public relations responses, letters of appreciation, and congratulations for special activities and events. Incidental correspondence will be answered by the Mayor, or such other member authorized by Council. Individual Council members may review the correspondence and comment to the Mayor on a particular response, or request a review by the full Council.
- Policy correspondence is that which purports to set or explain Town official policy, such as letters of support, expressions of position or opinion, or assertions of

intent. It must first receive approval of a majority of the Council at a public meeting, and will then be signed by the Mayor, or such other member authorized by Council, on behalf of the Council.

- Implementation correspondence is that which implements a policy or position already established by the Council, such as continuing letters of support on legislation, positions on actions by other government agencies, responding to public information requests, and other administrative steps identified in the initial presentation of the issue and approved by the Council. It will be signed by the Mayor, or such other member authorized by Council, on behalf of the Council.

Each type of correspondence will be kept chronologically in a separate binder available for public inspection, and when possible, indexed by subject.

9. Agenda Format. The public bodies shall follow the form and sample detailed content as set forth in **Exhibit A**, which illustrates provisions of this resolution.

- * 10. Mail Distribution. Upon receipt of mail addressed to the Town of Camp Verde, or the Council as a whole, it will be opened and copied to the Mayor and full Council. Upon receipt of mail addressed to the Mayor alone, or an individual Council member, the mail will be opened, date stamped, and copied. The original will be forwarded to the addressee, and the copies delivered one business day later to allow the addressee the courtesy of viewing the mail first. Nothing in this policy is intended to require the release of confidential correspondence as protected under State or Federal laws.

PASSED AND APPROVED by a majority vote of the Common Council at the regular meeting of August 16, 2000:


Barbara Miller, Mayor

Attest:


Debbie Barber, Town Clerk

Approved as to form:


Ronald C. Ramsey, Town Attorney

ADDITIONAL INFORMATION

APRIL 2, 2008
REGULAR SESSION

ITEM #12

RIO VERDE PLAZA

March 2008

UNIT #	LEASED TO	CONTRACT DATE	Term	LEASE AMOUNT per Council Direction 02-08-06	Payment Amount Monthly	Security Deposit	Cert. of Ins.
Unit 1	Artisans Guild of Camp Verde	September 1, 2004	continuing for 1 year	\$ 600.00	\$ 600.00	\$ 300.00	11-05-07/11-05-08
Unit 2	Mobileation	August 1, 2006	Month to month extension	\$ 600.00	\$ 600.00	\$ 300.00	none
Unit 3	Tu Fiesta	August 1, 2006	Month to month extension	\$ 600.00	\$ 500.00	\$ 300.00	none
Unit 4	Outlaw Pizza	August 1, 2006	Month to month extension	\$ 600.00	\$ 1,000.00	\$ 300.00	none
Unit 5	Outlaw Pizza	September 29, 2005	Month to month extension	\$ 600.00	See Unit 4	\$ 300.00	none
Unite 6	Plaza Water Store*	none on file		\$ 600.00	\$ 300.00		

\$ 3,600.00 \$ 3,000.00 **Monthly Difference \$600**

Yearly Difference \$7,200

* Per Dave Smith-Plaza Water Store refused to sign agreement and refused to pay \$600. If the Town wanted them to pay \$600 they would move out

February 8, 2006 - On a motion by Kovacovich, seconded by Baker, Council voted unanimously to direct staff to write letters to the renters advising them of the new rent amount of \$600.



TOWN OF CAMP VERDE

P.O. Box 710 ♦ 473 S. Main Street ♦ Camp Verde, Arizona 86322 ♦ (928) 567-6631 FAX 567-9061
Marshal 567-6621 ♦ Parks & Recreation 567-0535 ♦ Community Development 567-8513 ♦ www.campverde-az.gov

August 1, 2006

M. Grace O'Toole
3655 W. Anthem Way, Suite A-109 171
Anthem, AZ 85086

Re: Commercial Lease

Dear Ms. O'Toole:

The Town staff believes it would be mutually beneficial to have all the annual Rio Verde Plaza lease agreements on the same time frame. To accomplish this goal the Town has updated our 2006 lease agreement with effective dates from December 31, 2006 through January 1, 2007.

Therefore, please find enclosed the Town's signed commercial lease for your consideration and signature. After signing the document keep a copy for your records if you wish. Then, please deliver or mail the signed, fully executed agreement by August 15, 2006 to the following address.

Town of Camp Verde
473 South Main Street, Ste. 102
Camp Verde, AZ 86322
Attn: Bill Lee

If you have any questions regarding this matter, please contact me (928) 567-6631 x 102 or by e-mail at blee@cvaz.org.

Respectfully,

Bill Lee,
Town Manager

BL:cjb



Bullard presented the monthly financial update, noting that January 2006 is at 56% of the fiscal year. He advised that January expenditures were \$100,000 over budget due to bi-annual payments in conjunction with paid holidays for the employees and the sales tax was not what it was previously. Bullard advised that the Town is right on the mark for the general fund. He also spoke of forecasting the Town finances for a 10- to 15-year time frame. Bullard advised under two different scenarios expenditures are projected to overcome revenues in either 2010 or 2013, respectively.

 **7. Discussion, consideration, and direction to staff concerning terms and lease amounts for the six (6) leases at Rio Verde Plaza.**

Lee advised that Council had previously discussed this matter in executive session and that the Finance Director requested information relating to the rents. Lee reminded Council that they had not given direction in public following the executive session.

On a motion by Kovacovich, seconded by Baker, the Council voted unanimously to direct staff to write letters to the renters advising them of the new rent amount of \$600 per unit.

8. Presentation by Burgess & Niple Representatives Teresa Harris, Shirlee Rhodes, and James C. Campbell on the findings and conclusions in the 2005 Update to the Water Resource Plan – Phase I. This may be followed by discussion of the recommendation and strategies of water supplies management.

Shirlee Rhodes reviewed the Water Resources plan discussing ground water availability, demographic overview of growth, and water usage from 2004. She noted that we should consider using reclaimed water for dust control, golf courses, and industrial use. She discussed the GIS data base and staff training.

Public input

Robert Johnson stated that since we are going to buy the water company we should know how water they have in their wells.

Jim Bullard advised that they have two wells, with one pumping 600 gallons per minute and the other is at 271 gallons per minute.

9. Presentation by Burgess & Niple representatives(s) on the Camp Verde Water System Company Valuation and Condition Assessment. This may be followed by discussion, consideration and possible direction to staff to hire Burgess and Niple in the amount of \$117,000 to complete the scope of services for the Valuation and Assessment of the Camp Verde Water System.

On a motion by Smith, seconded by Baker, the Council voted unanimously to approve the \$117,000 expenditure for Burgess and Niple to complete the scope of services for the Valuation and Assessment of the Camp Verde Water System.

James Campbell spoke briefly and advised that there would be no presentation since the council had heard it before. Gioia stated that this is a process that we must go through, what the water company is worth, pipe conditions, high and low points.

10. Discussion, consideration, and possible approval of letter requesting additional time for the Town's consideration of Fred Ruskin's proposals of options to acquire trade lands for the Town. The property being considered is located off General Crook Trail and near I-17 interchange.

A motion by Gioia directing the Manager to send officially an agreement by e-mail, along with a verbal agreement to Fred Ruskin to extend the date by two weeks, failed for lack of a second.

On a motion by Baker, seconded by Parry, the Council voted unanimously to direct the Manager to send an e-mail response to Ruskin accepting his proposal.

Gioia stated that there were other options and considerations that the Council needs to be made aware of regarding the Ruskin proposal. Baker said that she would like to see some written

RENT STATEMENT

Escrow No.: 09000546

Date: January 7, 2005

Apartment Number & Tenant	Rental Rate	Per Day, Week, Month, or ???	Currently paid thru (date)	Due Date 1st, 15th, etc.	Security Deposit	Cleaning Deposit	Total Refundable??
- X Artisans Gallery	\$ 600 ⁰⁰	Mo	Jan 31, 2005	1 st	\$ 300 ⁰⁰	\$	\$ 300 ⁰⁰
X Purves	\$ 600 ⁰⁰	Mo	2/10/05	"	\$ 600 ⁰⁰	\$	\$ 600 ⁰⁰
+ X Cubys Dulceria	\$ 500 ⁰⁰	Mo	"	"	\$ 300 ⁰⁰	\$	\$ 300 ⁰⁰
+ X Chris Knight	\$ 550 ⁰⁰	Mo.	"	"	\$ 300 ⁰⁰	\$	\$ 300 ⁰⁰
Patricia Brown	\$ 550 ⁰⁰ out	Mo	" moved"	"	\$ 300⁰⁰	\$	\$ 300⁰⁰
Claudia Ward	\$ 600 ⁰⁰ out	Mo	"	"	\$ -	\$	\$ -
Gary Peterson	\$	(not due until May)			\$	\$	\$
	\$				\$	\$	\$
	\$				\$	\$	\$
	\$				\$	\$	\$
	\$				\$ 1500-	\$	\$

The above list is a true and accurate statement of the rents being collected in connection with the property described in the above numbered escrow. Seller and Buyer agree that the rents will be prorated on a 30 day basis, regardless of the number of days in the month. The amount of any security or cleaning deposit will be charged to the Seller and accredited to the Buyer through escrow in addition to any rent prorates. Any changes to this statement must be approved by all parties!

THE ABOVE IS A COMPLETE STATEMENT FOR RENTS:

Claudia Ward
SELLER

WE ACCEPT AND APPROVE OF THE ABOVE STATEMENT OF RENTS:

Bill Rice, Town Manager
BUYER

SELLER

BUYER

SELLER

BUYER

LEASE AGREEMENT

Date- September 1, 2004

I, Claudia Ward, 390 Pheasant Run Circle, Camp Verde, AZ. 86322

Will lease to "The Artisans Guild of Camp Verde", P.O. Box 2785, Camp Verde, AZ 86322

Unit 1, and front Patio, 497 Main St., Camp Verde AZ. Starting September 1, 2004 and continuing for 1 year for the sum of \$600.00 per month and a \$300.00 security deposit. The September rent will be due by the end of the month. Starting October, all further rents will be due by the 1st day of the month.

The Lessee shall not sublet, assign or transfer this agreement.

The Lessee shall provide proof of Public Liability and Property Damage Insurance.

The Lessee shall pay for the electricity.

The Lessee shall make no alterations or improvements without written consent of Lessor

Should unforeseen circumstances occur necessitating the early cancellation of this lease, there will be no penalties on the Lessee.

A notification in writing thirty days prior to vacating is required.

The Lessor pays for Water, Sewer and Garbage Disposal Service.

In Witness Whereof, this lease has been executed on Sept 1 2004 by The parties hereto.

Claudia Ward, owner

Claudia Ward

Artisans Guild of Camp Verde

P.O. Box 2785

Camp Verde, AZ. 86322

Phone # _____

by Raymond Delaney 5175 YAGU, Cir, CV 567-9303
address phone

by Therese Adamson 1603 E Country Ln 567-3509
address phone

by Idell LeGendre PO Box 1559, CV (928) 567-4017
address phone



Town of Camp Verde

473 S. Main Street
Camp Verde, AZ 86322
Telephone: (928) 567-6631
Fax: (928) 567-9061

Commercial Lease

Date: August 1, 2006 ("Effective Date")

Parties: Town of Camp Verde, a political subdivision of the State of Arizona ("Lessor") and
Mobileation ("Lessee")

Lessee's Information:

Name of Business: Mobileation

Name of Liable Owner(s): M. Grace O'Toole

Business Mailing Address: 3655 W. Anthem Way, Suite A-109 171
Anthem, AZ 85086

Business Telephone Number: _____

Emergency Telephone Number: _____

Recitals:

A. Lessor is the owner of certain real property and improvements located in Camp Verde, Arizona, commonly referred to as Rio Verde Plaza, 497 S. Main Street. Lessee desires to lease from Lessor Unit 2 such real property and improvements pursuant to the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the rentals to be paid and the conditions, covenants, and terms to be performed, the parties agree as follows:

Agreement:

1. Premises. Lessor does hereby lease to Lessee and Lessee does hereby hire and take from Lessor the real property and improvements as described as:

497 S. Main Street, Camp Verde, Arizona 86322, Unit 2

2. Term. The term of this Lease shall be for a period commencing on the "Effective Date" and shall end on December 31, 2006, unless sooner terminated as provided hereinafter or extended pursuant to Section 25 of this Lease.

3. Rental Amount – Security Deposit.

- 3.1 Lessee agrees to pay to Lessor, without demand, as and for base lease, the sum of SIX HUNDRED AND 00/100 DOLLARS (\$ 600 .00) each month in advance on the first day of each month, plus applicable rental tax, if any.
- 3.2 In the event that rent is not paid within five (5) days after the first day of each month, Lessee agrees to pay, without demand, in addition to all rentals to be paid by Lessee to Lessor, as hereinabove set forth, an initial late fee of TWENTY-FIVE AND 00/100 DOLLARS (\$25.00), as well as TEN AND 00/100 DOLLARS (\$10.00) per day, until all applicable charges are paid.
- 3.3 Lessee further agrees to pay Lessor TWENTY-FIVE AND 00/100 DOLLARS (\$25.00) for each dishonored bank check.
- 3.4 Base lease may be adjusted on the first day of January of each year. The amount of base lease shall not increase more than ten percent (10%) in any one (1) year, and Lessor must give written notice not less than thirty (30) days in advance of any such increase of base lease.
- 3.5 Lessee has previously paid security deposit concerning this Lease in the amount of THREE HUNDRED AND 00/100 DOLLARS (\$300.00).

4. Assignment and Subletting – Use of Property

- 4.1 This Lease shall not be assigned or transferred by Lessee or by operation of law or otherwise; nor shall Lessee sublet these premises or any portion thereof.
- 4.2 The premises shall be used for the business of operating a(n) on'line/retail toy store and for no other purpose.
- 4.3 Lessee shall, at its sole cost, comply with and faithfully observe all the requirements of municipal, county, state, and federal authorities pertaining to the use of the premises, as well as the requirements and regulations of the Board of Fire Underwriters and Lessee's insurance companies.

5. Utilities. In addition to all rentals to be paid by Lessee to Lessor, as hereinabove set forth, Lessee agrees to assume and to pay, as its obligation, the cost of all utilities used in connection with the occupancy of the demised premises, such utilities to include, by way of illustration but not by way of limitation, the cost of electricity, gas, power, and any other cost and charges on account of utilities and services furnished by third parties. Lessor shall not be responsible for any failure or interpretation of utility services to the premises. Lessor shall pay for water, sewer and garbage disposal services.

6. Condition of Premises. Lessee agrees to accept the demised premises in an "AS IS CONDITION" and in its condition as on the first day of the term of this Lease. Lessee acknowledges that the premises are suitable for any specific use intended by Lessee.

7. Improvements and Alterations. Lessee shall make no alterations to the buildings on the demised premises or construct any building or make other improvements on or within the demised premises without the prior written consent of Lessor. All alterations, changes, and improvements built, constructed, or placed on the demised premises by Lessee, with the exception of fixtures removable without damage to the premises, and moveable personal property, shall, unless otherwise provided by written agreement between Lessor and Lessee, be the property of Lessor and remain on the demised premises at the expiration or sooner termination of this Lease.
8. Surrender and Return of Premises. At the expiration of the term of this Lease, Lessee shall quit and surrender the premises hereby demised in as good state and condition as they were at the commencement of this Lease, reasonable use and wear thereof and damages by the elements excepted.
9. Default. If any default is made in the payment of Lease, or any part thereof, at the times hereinbefore specified, or if any default is made in the performance or compliance with any other term or condition hereof, this Lease, at the option of Lessor, shall terminate, and Lessor may re-enter the premises and remove all persons therefrom. Lessor shall provide prior written notice of any default or breach, and termination of the Lease as shall be required pursuant to A.R.S. § 33-1313 et seq. No re-entry by Lessor shall be deemed a termination unless notice of termination is given in writing.
10. Taxes. Real property taxes assessed against the aforesaid described demised premises shall be the obligation of Lessee.
11. Indemnity and Insurance.
 - 11.1 Lessee covenants that Lessor shall not be liable for any damage or liability of any kind or for any injury to or death of persons or damage to property of Lessee or any other person during the term of this Lease, from any cause whatsoever, by reason of the use, occupancy, and enjoyment of the premises by Lessee or any person thereon or holding under said Lessee, and that Lessee will indemnify and save harmless Lessor from all liability whatsoever on account of any such real or claimed damage or injury from all liens, claims, and demands arising out of the use of the premises and its facilities or any repairs or alterations which Lessee may make upon said premises, but Lessee shall not be liable for damage or injury occasioned by the negligence of Lessor and its designated agents, servants, or employees unless covered by insurance Lessor is required to provide. This obligation to indemnify shall include reasonable legal counsel and investigation costs and all other reasonable costs, expenses and liabilities from the first notice that any claim or demand is to be made or may be made.
 - 11.2 Lessor and Lessee hereby waive any rights each other may have against the other on account of any loss or damage occasioned to Lessor or Lessee, as the case may be, their respective property, the premises, or its contents or to other portions of the premises as arising from any risk generally covered by fire and extended coverage insurance policies then in use in Arizona where the premises

are situated; and the parties each, on behalf of their respective insurance companies insuring the property of either Lessor or Lessee against any such loss, waive any right of subrogation that such companies may have against Lessor or Lessee, as the case may be. In the event that the insurance company of Lessee does not waive the right of subrogation against Lessor and its insurance company, Lessee shall (i) maintain during the term of this Lease fire legal liability coverage with respect to the premises, and (ii) shall pay to Lessor upon demand, Lessor's cost incurred in securing fire legal liability insurance protecting Lessor in the event of the destruction of Lessee's property.

11.3 From and after the date of delivery of the premises to Lessee, Lessee will maintain, at its expense, the following types of insurance:

11.3.1 Public Liability and Property Damage. Comprehensive general public liability insurance with limits of not less than One Million Dollars (\$1,000,000.00) per occurrence insuring against any and all liability of the insured with respect to said premises or arising out of the maintenance, use, or occupancy thereof. All insurance shall specifically insure the performance by Lessee of the indemnity agreement in this Paragraph 11 contained. Said insurance shall be the primary insurance as respects to Lessee and not participating with any other available insurance. In no event shall the limits of said policies be considered as limited the liability of Lessee under this Lease.

11.3.2 All policies of insurance to be provided by Lessee hereunder shall be issued by insurance companies acceptable to Lessor and qualified to do business in Arizona where the premises is situated, and shall be issued in the names of Lessor and Lessee, for the mutual joint benefit and protection of Lessor and Lessee, and executed copies of such policies of insurance or certificates thereof shall be delivered to Lessor within ten (10) days after delivery of possession of the premises to Lessee and thereafter new policies or renewal certificates within thirty (30) days prior to the expiration of the term of each such policy. All public liability and property damage policies shall contain a provision that Lessor, although named as an insured, shall nevertheless be entitled to recovery under said policies for any loss occasioned to it, its servants, agents, and employees by reason of the negligence of Lessee. As often as any such policy shall expire or terminate, renewal or additional policies shall be procured and maintained by Lessee in like manner and to like extent. All policies of insurance delivered to Lessor must contain a provision that the company writing said policy will give to Lessor twenty (20) days notice in writing in advance of any cancellation or lapse of the effective date of any reduction in the amounts of insurance. All policies shall be written as primary policies, not contributing with and not in excess of coverage which Lessor may carry.

12. Quiet Enjoyment. Lessor hereby covenants and agrees with Lessee, its permitted successors and assigns, that Lessee, upon paying rents and keeping and performing the covenants and conditions of this Lease, peaceably and quietly shall occupy and hold possession of the premises for the term of this Lease without any interference by Lessor.
13. Attorney's Fees. In any action brought concerning the rights or obligations of either party, the prevailing party shall recover from the other their reasonable attorney's fees and costs incurred.
14. Dangerous Materials. Lessee shall not keep or have on the demised premises any article or any thing of a toxic, dangerous, inflammable, or explosive character that might unreasonably increase the danger of fire or other hazard on the demised premises or that might be considered hazardous or extra hazardous by any reasonable insurance company.
15. Right of Inspection. Lessor and its agents shall have the right at all reasonable times during the term of this Lease to enter the demised premises for the purpose of inspecting the premises and all building and improvements thereon.
16. Holdover by Lessee. Should Lessee remain in possession of the demised premises without the consent of Lessor after the expiration or other termination of this Lease, rent shall accrue for Lessee's unlawful occupancy of the premises at the rate of SIX HUNDRED AND 00/100 DOLLARS (\$ 600 .00) per month.
17. Maintenance.
 - 17.1 Lessee shall be responsible to perform all ordinary and necessary maintenance at Lessee's sole expense and shall at Lessee's sole expense maintain all glass, heating, cooling, plumbing, and the interior of the premises. Any and all maintenance work which may from time to time be necessary to be performed shall be performed by licensed, insured, competent, and skilled technicians acceptable to Lessor, and qualified to do business in Arizona where the premises is situated, in a good, timely, and workmanlike manner.
 - 17.2 Lessor shall maintain the exterior and grounds of the premises.
18. Lessee's Covenants. Lessee further covenants:
 - 18.1 That Lessee will not maintain or permit the maintenance of any nuisance, public or private, on or around the premises herein rented, and will comply with all laws, statutes, subdivision covenants and restrictions, ordinances, regulations, and all legal requirements relating to the premises. Lessee will not permit or suffer the premises to be used for the purpose of carrying on any illegal business or occupation, and will use and occupy the demised premises in a careful, safe, and proper manner, and will not commit or suffer any waste.

- 18.2 That the rentals hereinabove provided to be paid will be paid at the time and in the manner set forth without prior notice or demand, time being of the essence of this agreement.
- 18.3 That there are no agreements, covenants, representations, or warranties by Lessor other than those expressly contained in this agreement and that this is the sole agreement between the parties. Any agreements or representations not expressly set forth herein are null and void.
19. Binding Effect. The agreements, covenants, conditions, and terms contained in this Lease shall extend to and be binding upon Lessor, and upon Lessee, its heirs personal representatives, and permitted successors and assigns.
20. Notices. Notices shall be deemed given when sent in writing and shall be deemed served where deposited by first class mail, postage prepaid, to Lessor or Lessee, as the case may be, at the address first set forth above.
21. Rules and Regulations. Lessee shall at all times during the term of this Lease comply with all other reasonable rules and regulations at any time or from time to time established by Lessor concerning use of the premises, parking, and the access road to the premises.
22. No Personal Liability to Landlord. Lessee shall look solely to Lessor's interest in the premises for the satisfaction of any judgement or decree requiring the payment of money by Lessor based upon any default under this Lease, and no other property or assets of Lessor, or property or assets of the partners, successors, or assigns of Lessor, shall be subject to levy, execution, or other enforcement procedures or satisfaction of any such judgement or decree.
23. Partial Invalidity. If any provision of this Lease is determined to be void by any court of competent jurisdiction, such determination shall not affect any other provision of this Lease and such other provision shall remain in full force and effect. If any provision of this Lease is capable of two constructions, one of which would render this provision void and one of which would render this provision valid, the provision shall be interpreted in the manner which could render it valid.
24. Time of Essence. Time is of the essence in this Lease and the terms and conditions hereof.
25. Month-to-Month Extensions. If Lessee desires to extend this Lease on a month-to-month basis, commencing on January 1, 2007, Lessee must notify Lessor no later than November 1, 2006. If the parties mutually agree, the term of this Lease shall be extended on a month-to-month basis commencing January 1, 2007 on the same terms and conditions as set forth herein.
26. Conflict of Interest. This Lease is subject to termination pursuant to A.R.S. § 38-511.

Lessor:

Town of Camp Verde

By: William Lee
William Lee, Town Manager

Attest:

Deborah Barber
Town Clerk

8-1-06
Date

Lessee:

By: Jean Armstrong
Name: Jean Armstrong
Printed



Town of Camp Verde

473 S. Main Street
Camp Verde, AZ 86322
Telephone: (928) 567-6631
Fax: (928) 567-9061

Commercial Lease

Date: August 1, 2006 ("Effective Date")

Parties: Town of Camp Verde, a political subdivision of the State of Arizona ("Lessor") and
Tu Fiesta ("Lessee")

Lessee's Information:

Name of Business: Tu Fiesta

Name of Liable Owner(s): Ben Pareja

Business Mailing Address: 497 S. Main Street, Unit 3
Camp Verde, AZ 86322

Business Telephone Number: (928) 567-5461

Emergency Telephone Number: (928) 567-9659 Irene Montano

Recitals:

A. Lessor is the owner of certain real property and improvements located in Camp Verde, Arizona, commonly referred to as Rio Verde Plaza, 497 S. Main Street. Lessee desires to lease from Lessor Unit 3 such real property and improvements pursuant to the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the rentals to be paid and the conditions, covenants, and terms to be performed, the parties agree as follows:

Agreement:

1. Premises. Lessor does hereby lease to Lessee and Lessee does hereby hire and take from Lessor the real property and improvements as described as:

497 S. Main Street, Camp Verde, Arizona 86322, Unit 3

2. Term. The term of this Lease shall be for a period commencing on the "Effective Date" and shall end on December 31, 2006, unless sooner terminated as provided hereinafter or extended pursuant to Section 25 of this Lease.

3. Rental Amount – Security Deposit.

- 3.1 Lessee agrees to pay to Lessor, without demand, as and for base lease, the sum of SIX HUNDRED AND 00/100 DOLLARS (\$ 600 .00) each month in advance on the first day of each month, plus applicable rental tax, if any.
- 3.2 In the event that rent is not paid within five (5) days after the first day of each month, Lessee agrees to pay, without demand, in addition to all rentals to be paid by Lessee to Lessor, as hereinabove set forth, an initial late fee of TWENTY-FIVE AND 00/100 DOLLARS (\$25.00), as well as TEN AND 00/100 DOLLARS (\$10.00) per day, until all applicable charges are paid.
- 3.3 Lessee further agrees to pay Lessor TWENTY-FIVE AND 00/100 DOLLARS (\$25.00) for each dishonored bank check.
- 3.4 Base lease may be adjusted on the first day of January of each year. The amount of base lease shall not increase more than ten percent (10%) in any one (1) year, and Lessor must give written notice not less than thirty (30) days in advance of any such increase of base lease.
- 3.5 Lessee has previously paid security deposit concerning this Lease in the amount of THREE HUNDRED AND 00/100 DOLLARS (\$300.00).

4. Assignment and Subletting – Use of Property

- 4.1 This Lease shall not be assigned or transferred by Lessee or by operation of law or otherwise; nor shall Lessee sublet these premises or any portion thereof.
- 4.2 The premises shall be used for the business of operating a(n) party items store and for no other purpose.
- 4.3 Lessee shall, at its sole cost, comply with and faithfully observe all the requirements of municipal, county, state, and federal authorities pertaining to the use of the premises, as well as the requirements and regulations of the Board of Fire Underwriters and Lessee's insurance companies.

5. Utilities. In addition to all rentals to be paid by Lessee to Lessor, as hereinabove set forth, Lessee agrees to assume and to pay, as its obligation, the cost of all utilities used in connection with the occupancy of the demised premises, such utilities to include, by way of illustration but not by way of limitation, the cost of electricity, gas, power, and any other cost and charges on account of utilities and services furnished by third parties. Lessor shall not be responsible for any failure or interpretation of utility services to the premises. Lessor shall pay for water, sewer and garbage disposal services.

6. Condition of Premises. Lessee agrees to accept the demised premises in an "AS IS CONDITION" and in its condition as on the first day of the term of this Lease. Lessee acknowledges that the premises are suitable for any specific use intended by Lessee.

7. Improvements and Alterations. Lessee shall make no alterations to the buildings on the demised premises or construct any building or make other improvements on or within the demised premises without the prior written consent of Lessor. All alterations, changes, and improvements built, constructed, or placed on the demised premises by Lessee, with the exception of fixtures removable without damage to the premises, and moveable personal property, shall, unless otherwise provided by written agreement between Lessor and Lessee, be the property of Lessor and remain on the demised premises at the expiration or sooner termination of this Lease.
8. Surrender and Return of Premises. At the expiration of the term of this Lease, Lessee shall quit and surrender the premises hereby demised in as good state and condition as they were at the commencement of this Lease, reasonable use and wear thereof and damages by the elements excepted.
9. Default. If any default is made in the payment of Lease, or any part thereof, at the times hereinbefore specified, or if any default is made in the performance or compliance with any other term or condition hereof, this Lease, at the option of Lessor, shall terminate, and Lessor may re-enter the premises and remove all persons therefrom. Lessor shall provide prior written notice of any default or breach, and termination of the Lease as shall be required pursuant to A.R.S. § 33-1313 et seq. No re-entry by Lessor shall be deemed a termination unless notice of termination is given in writing.
10. Taxes. Real property taxes assessed against the aforesaid described demised premises shall be the obligation of Lessee.
11. Indemnity and Insurance.
 - 11.1 Lessee covenants that Lessor shall not be liable for any damage or liability of any kind or for any injury to or death of persons or damage to property of Lessee or any other person during the term of this Lease, from any cause whatsoever, by reason of the use, occupancy, and enjoyment of the premises by Lessee or any person thereon or holding under said Lessee, and that Lessee will indemnify and save harmless Lessor from all liability whatsoever on account of any such real or claimed damage or injury from all liens, claims, and demands arising out of the use of the premises and its facilities or any repairs or alterations which Lessee may make upon said premises, but Lessee shall not be liable for damage or injury occasioned by the negligence of Lessor and its designated agents, servants, or employees unless covered by insurance Lessor is required to provide. This obligation to indemnify shall include reasonable legal counsel and investigation costs and all other reasonable costs, expenses and liabilities from the first notice that any claim or demand is to be made or may be made.
 - 11.2 Lessor and Lessee hereby waive any rights each other may have against the other on account of any loss or damage occasioned to Lessor or Lessee, as the case may be, their respective property, the premises, or its contents or to other portions of the premises as arising from any risk generally covered by fire and extended coverage insurance policies then in use in Arizona where the premises

are situated; and the parties each, on behalf of their respective insurance companies insuring the property of either Lessor or Lessee against any such loss, waive any right of subrogation that such companies may have against Lessor or Lessee, as the case may be. In the event that the insurance company of Lessee does not waive the right of subrogation against Lessor and its insurance company, Lessee shall (i) maintain during the term of this Lease fire legal liability coverage with respect to the premises, and (ii) shall pay to Lessor upon demand, Lessor's cost incurred in securing fire legal liability insurance protecting Lessor in the event of the destruction of Lessee's property.

11.3 From and after the date of delivery of the premises to Lessee, Lessee will maintain, at its expense, the following types of insurance:

11.3.1 Public Liability and Property Damage. Comprehensive general public liability insurance with limits of not less than One Million Dollars (\$1,000,000.00) per occurrence insuring against any and all liability of the insured with respect to said premises or arising out of the maintenance, use, or occupancy thereof. All insurance shall specifically insure the performance by Lessee of the indemnity agreement in this Paragraph 11 contained. Said insurance shall be the primary insurance as respects to Lessee and not participating with any other available insurance. In no event shall the limits of said policies be considered as limited the liability of Lessee under this Lease.

11.3.2 All policies of insurance to be provided by Lessee hereunder shall be issued by insurance companies acceptable to Lessor and qualified to do business in Arizona where the premises is situated, and shall be issued in the names of Lessor and Lessee, for the mutual joint benefit and protection of Lessor and Lessee, and executed copies of such policies of insurance or certificates thereof shall be delivered to Lessor within ten (10) days after delivery of possession of the premises to Lessee and thereafter new policies or renewal certificates within thirty (30) days prior to the expiration of the term of each such policy. All public liability and property damage policies shall contain a provision that Lessor, although named as an insured, shall nevertheless be entitled to recovery under said policies for any loss occasioned to it, its servants, agents, and employees by reason of the negligence of Lessee. As often as any such policy shall expire or terminate, renewal or additional policies shall be procured and maintained by Lessee in like manner and to like extent. All policies of insurance delivered to Lessor must contain a provision that the company writing said policy will give to Lessor twenty (20) days notice in writing in advance of any cancellation or lapse of the effective date of any reduction in the amounts of insurance. All policies shall be written as primary policies, not contributing with and not in excess of coverage which Lessor may carry.

12. Quiet Enjoyment. Lessor hereby covenants and agrees with Lessee, its permitted successors and assigns, that Lessee, upon paying rents and keeping and performing the covenants and conditions of this Lease, peaceably and quietly shall occupy and hold possession of the premises for the term of this Lease without any interference by Lessor.
13. Attorney's Fees. In any action brought concerning the rights or obligations of either party, the prevailing party shall recover from the other their reasonable attorney's fees and costs incurred.
14. Dangerous Materials. Lessee shall not keep or have on the demised premises any article or any thing of a toxic, dangerous, inflammable, or explosive character that might unreasonably increase the danger of fire or other hazard on the demised premises or that might be considered hazardous or extra hazardous by any reasonable insurance company.
15. Right of Inspection. Lessor and its agents shall have the right at all reasonable times during the term of this Lease to enter the demised premises for the purpose of inspecting the premises and all building and improvements thereon.
16. Holdover by Lessee. Should Lessee remain in possession of the demised premises without the consent of Lessor after the expiration or other termination of this Lease, rent shall accrue for Lessee's unlawful occupancy of the premises at the rate of SIX HUNDRED AND 00/100 DOLLARS (\$ 600 .00) per month.
17. Maintenance.
 - 17.1 Lessee shall be responsible to perform all ordinary and necessary maintenance at Lessee's sole expense and shall at Lessee's sole expense maintain all glass, heating, cooling, plumbing, and the interior of the premises. Any and all maintenance work which may from time to time be necessary to be performed shall be performed by licensed, insured, competent, and skilled technicians acceptable to Lessor, and qualified to do business in Arizona where the premises is situated, in a good, timely, and workmanlike manner.
 - 17.2 Lessor shall maintain the exterior and grounds of the premises.
18. Lessee's Covenants. Lessee further covenants:
 - 18.1 That Lessee will not maintain or permit the maintenance of any nuisance, public or private, on or around the premises herein rented, and will comply with all laws, statutes, subdivision covenants and restrictions, ordinances, regulations, and all legal requirements relating to the premises. Lessee will not permit or suffer the premises to be used for the purpose of carrying on any illegal business or occupation, and will use and occupy the demised premises in a careful, safe, and proper manner, and will not commit or suffer any waste.

- 18.2 That the rentals hereinabove provided to be paid will be paid at the time and in the manner set forth without prior notice or demand, time being of the essence of this agreement.
- 18.3 That there are no agreements, covenants, representations, or warranties by Lessor other than those expressly contained in this agreement and that this is the sole agreement between the parties. Any agreements or representations not expressly set forth herein are null and void.
19. Binding Effect. The agreements, covenants, conditions, and terms contained in this Lease shall extend to and be binding upon Lessor, and upon Lessee, its heirs personal representatives, and permitted successors and assigns.
20. Notices. Notices shall be deemed given when sent in writing and shall be deemed served where deposited by first class mail, postage prepaid, to Lessor or Lessee, as the case may be, at the address first set forth above.
21. Rules and Regulations. Lessee shall at all times during the term of this Lease comply with all other reasonable rules and regulations at any time or from time to time established by Lessor concerning use of the premises, parking, and the access road to the premises.
22. No Personal Liability to Landlord. Lessee shall look solely to Lessor's interest in the premises for the satisfaction of any judgement or decree requiring the payment of money by Lessor based upon any default under this Lease, and no other property or assets of Lessor, or property or assets of the partners, successors, or assigns of Lessor, shall be subject to levy, execution, or other enforcement procedures or satisfaction of any such judgement or decree.
23. Partial Invalidity. If any provision of this Lease is determined to be void by any court of competent jurisdiction, such determination shall not affect any other provision of this Lease and such other provision shall remain in full force and effect. If any provision of this Lease is capable of two constructions, one of which would render this provision void and one of which would render this provision valid, the provision shall be interpreted in the manner which could render it valid.
24. Time of Essence. Time is of the essence in this Lease and the terms and conditions hereof.
25. Month-to-Month Extensions. If Lessee desires to extend this Lease on a month-to-month basis, commencing on January 1, 2007, Lessee must notify Lessor no later than November 1, 2006. If the parties mutually agree, the term of this Lease shall be extended on a month-to-month basis commencing January 1, 2007 on the same terms and conditions as set forth herein.
26. Conflict of Interest. This Lease is subject to termination pursuant to A.R.S. § 38-511.

Lessor:

Town of Camp Verde

By: William Lee
William Lee, Town Manager

Attest:

Deborah Barber
Town Clerk

8-1-06
Date

Lessee:

By: Ben Paresa
Name: BEN PARESA
Printed

COMMERCIAL LEASE

DATE: 9-29-05, 2005 ("Effective Date")

PARTIES: Town of Camp Verde, a political subdivision of the State of Arizona ("Lessor") and Outlaw Pizza ("Lessee")

RECITALS:

A. Lessor is the owner of certain real property and improvements located in Camp Verde, Arizona, commonly referred to as Rio Verde Plaza, 497 South Main St. Lessee desires to lease from Lessor Unit __ such real property and improvements pursuant to the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the rentals to be paid and the conditions, covenants, and terms to be performed, the parties agree as follows:

AGREEMENT:

1. Premises. Lessor does hereby lease to Lessee and Lessee does hereby hire and take from Lessor the real property and improvements as described as:

497 So. Main Street, Camp Verde, Arizona 86322, Unit __

2. Term. The term of this Lease shall be for a period commencing on the Effective Date and shall end on January 1, 2006, unless sooner terminated as provided hereinafter or extended pursuant to Section 25 of this Lease.

3. Rental Amount - Security Deposit.

3.1 Lessee agrees to pay to Lessor, without demand, as and for base lease, the sum of 400 Six Hundred AND 00/100 DOLLARS (\$400.00) each month in advance on the first day of each month, plus applicable rental tax, if any.

3.2 In the event that rent is not paid within five (5) days after the first day of each month, Lessee agrees to pay, without demand, in addition to all rentals to be paid by Lessee to Lessor, as hereinabove set forth, an initial late fee of TWENTY-FIVE AND 00/100 DOLLARS (\$25.00), as well as TEN AND 00/100 DOLLARS (\$10.00) per day, until all applicable charges are paid.

3.3 Lessee further agrees to pay to Lessor TWENTY-FIVE AND 00/100 DOLLARS (\$25.00) for each dishonored bank check.

3.4 Base lease may be adjusted on the first day of January of each year. The amount of base lease shall not increase more than ten percent (10%) in any one (1) year, and

Lessor must give written notice not less than thirty (30) days in advance of any such increase of base lease.

3.5 Lessee has previously paid security deposit concerning this Lease in the amount of THREE HUNDRED AND 00/100 DOLLARS (\$300.00).

4. Assignment and Subletting - Use of Property.

4.1 This Lease shall not be assigned or transferred by Lessee or by operation of law or otherwise; nor shall Lessee sublet these premises or any portion thereof.

4.2 The premises shall be used only for the business of operating a Restaurant Pizzeria and for no other purpose.

4.3 Lessee shall, at its sole cost, comply with and faithfully observe all the requirements of municipal, county, state, and federal authorities pertaining to the use of the premises, as well as the requirements and regulations of the Board of Fire Underwriters and Lessee's insurance companies.

5. Utilities. In addition to all rentals to be paid by Lessee to Lessor, as hereinabove set forth, Lessee agrees to assume and to pay, as its obligation, the cost of all utilities used in connection with the occupancy of the demised premises, such utilities to include, by way of illustration but not by way of limitation, the cost of electricity, gas, power, and any other cost and charges on account of utilities and services furnished by third parties. Lessor shall not be responsible for any failure or interpretation of utility services to the premises. Lessor shall pay for water, sewer, and garbage disposal services.

6. Condition of Premises. Lessee agrees to accept the demised premises in an "AS IS CONDITION" and in its condition as on the first day of the term of this Lease. Lessee acknowledges that the premises are suitable for any specific use intended by Lessee.

7. Improvements and Alterations. Lessee shall make no alterations to the buildings on the demised premises or construct any building or make other improvements on or within the demised premises without the prior written consent of Lessor. All alterations, changes, and improvements built, constructed, or placed on the demised premises by Lessee, with the exception of fixtures removable without damage to the premises, and moveable personal property, shall, unless otherwise provided by written agreement between Lessor and Lessee, be the property of Lessor and remain on the demised premises at the expiration or sooner termination of this Lease.

8. Surrender and Return of Premises. At the expiration of the term of this Lease, Lessee shall quit and surrender the premises hereby demised in as good state and condition as they were at the commencement of this Lease, reasonable use and wear thereof and damages by the elements excepted.

9. Default. If any default is made in the payment of lease, or any part thereof, at the times hereinbefore specified, or if any default is made in the performance or compliance with any other term or condition hereof, this Lease, at the option of Lessor, shall terminate, and

Lessor may re-enter the premises and remove all persons therefrom. Lessor shall provide prior written notice of any default or breach, and termination of the Lease as shall be required pursuant to A.R.S. § 33-1313 *et seq.* No re-entry by Lessor shall be deemed a termination unless notice of termination is given in writing.

10. Taxes. Real property taxes assessed against the aforesaid described demised premises shall be the obligation of Lessee.

11. Indemnity and Insurance.

11.1 Lessee covenants that Lessor shall not be liable for any damage or liability of any kind or for any injury to or death of persons or damage to property of Lessee or any other person during the term of this Lease, from any cause whatsoever, by reason of the use, occupancy, and enjoyment of the premises by Lessee or any person thereon or holding under said Lessee, and that Lessee will indemnify and save harmless Lessor from all liability whatsoever on account of any such real or claimed damage or injury from all liens, claims, and demands arising out of the use of the premises and its facilities or any repairs or alterations which Lessee may make upon said premises, but Lessee shall not be liable for damage or injury occasioned by the negligence of Lessor and its designated agents, servants, or employees unless covered by insurance Lessee is required to provide. This obligation to indemnify shall include reasonable legal counsel and investigation costs and all other reasonable costs, expenses and liabilities from the first notice that any claim or demand is to be made or may be made.

11.2 Lessor and Lessee hereby waive any rights each other may have against the other on account of any loss or damage occasioned to Lessor or Lessee, as the case may be, their respective property, the premises, or its contents or to other portions of the premises as arising from any risk generally covered by fire and extended coverage insurance policies then in use in Arizona where the premises are situated; and the parties each, on behalf of their respective insurance companies insuring the property of either Lessor or Lessee against any such loss, waive any right of subrogation that such companies may have against Lessor or Lessee, as the case may be. In the event that the insurance company of Lessee does not waive the right of subrogation against Lessor and its insurance company, Lessee shall (i) maintain during the term of this Lease fire legal liability coverage with respect to the premises and (ii) shall pay to Lessor upon demand, Lessor's cost incurred in securing fire legal liability insurance protecting Lessor in the event of the destruction of Lessee's property.

11.3 From and after the date of delivery of the premises to Lessee, Lessee will maintain, at its expense, the following types of insurance:

11.3.1 Public Liability and Property Damage. Comprehensive general public liability insurance with limits of not less than One Million Dollars (\$1,000,000.00) per occurrence insuring against any and all liability of the insured with respect to said premises or arising out of the maintenance, use, or occupancy thereof. All insurance shall specifically insure the performance by Lessee of the indemnity agreement in this Paragraph 11 contained. Said insurance shall be the primary insurance as respects to Lessee and not participating with any other available insurance. In no event shall the limits of said policies be considered as limited the liability of Lessee under this Lease.

11.3.2 All policies of insurance to be provided by Lessee hereunder shall be issued by insurance companies acceptable to Lessor and qualified to do business in Arizona where the premises is situated, and shall be issued in the names of Lessor and Lessee, for the mutual joint benefit and protection of Lessor and Lessee, and executed copies of such policies of insurance or certificates thereof shall be delivered to Lessor within ten (10) days after delivery of possession of the premises to Lessee and thereafter new policies or renewal certificates within thirty (30) days prior to the expiration of the term of each such policy. All public liability and property damage policies shall contain a provision that Lessor, although named as an insured, shall nevertheless be entitled to recovery under said policies for any loss occasioned to it, its servants, agents, and employees by reason of the negligence of Lessee. As often as any such policy shall expire or terminate, renewal or additional policies shall be procured and maintained by Lessee in like manner and to like extent. All policies of insurance delivered to Lessor must contain a provision that the company writing said policy will give to Lessor twenty (20) days notice in writing in advance of any cancellation or lapse of the effective date of any reduction in the amounts of insurance. All policies shall be written as primary policies, not contributing with and not in excess of coverage which Lessor may carry.

12. Quiet Enjoyment. Lessor hereby covenants and agrees with Lessee, its permitted successors and assigns, that Lessee, upon paying rents and keeping and performing the covenants and conditions of this Lease, peaceably and quietly shall occupy and hold possession of the premises for the term of this Lease without any interference by Lessor.

13. Attorney's Fees. In any action brought concerning the rights or obligations of either party, the prevailing party shall recover from the other their reasonable attorney's fees and costs incurred.

14. Dangerous Materials. Lessee shall not keep or have on the demised premises any article or any thing of a toxic, dangerous, inflammable, or explosive; character that might unreasonably increase the danger of fire or other hazard on the demised premises or that might be considered hazardous or extra hazardous by any reasonable insurance company.

15. Right of Inspection. Lessor and its agents shall have the right at all reasonable times during the term of this Lease to enter the demised premises for the purpose of inspecting the premises and all building and improvements thereon.

16. Holdover by Lessee. Should Lessee remain in possession of the demised premises without the consent of Lessor after the expiration or other termination of this Lease, rent shall accrue for Lessee's unlawful occupancy of the premises at the rate of _____ AND 00/100 DOLLARS (\$____.00) per month.

17. Maintenance.

17.1 Lessee shall be responsible to perform all ordinary and necessary maintenance at Lessee's sole expense and shall at Lessee's sole expense maintain all glass, heating, cooling, plumbing, and the interior of the premises. Any and all maintenance work which may from time to time be necessary to be performed shall be performed by licensed,

insured, competent, and skilled technicians acceptable to Lessor, and qualified to do business in Arizona where the premises is situated, in a good, timely, and workmanlike manner.

17.2 Lessor shall maintain the exterior and grounds of the premises.

18. Lessee's Covenants. Lessee further covenants:

18.1 That Lessee will not maintain or permit the maintenance of any nuisance, public or private, on or around the premises herein rented, and will comply with all laws, statutes, subdivision covenants and restrictions, ordinances, regulations, and all legal requirements relating to the premises. Lessee will not permit or suffer the premises to be used for the purpose of carrying on any illegal business or occupation, and will use and occupy the demised premises in a careful, safe, and proper manner, and will not commit or suffer any waste.

18.2 That the rentals hereinabove provided to be paid will be paid at the time and in the manner set forth without prior notice or demand, time being of the essence of this agreement.

18.3 That there are no agreements, covenants, representations, or warranties by Lessor other than those expressly contained in this agreement and that this is the sole agreement between the parties. Any agreements or representations not expressly set forth herein are null and void.

19. Binding Effect. The agreements, covenants, conditions, and terms contained in this Lease shall extend to and be binding upon Lessor, and upon Lessee, its heirs personal representatives, and permitted successors and assigns.

20. Notices. Notices shall be deemed given when sent in writing and shall be deemed served where deposited by first class mail, postage prepaid, to Lessor or Lessee, as the case may be, at the address first set forth above.

21. Rules and Regulations. Lessee shall at all times during the term of this Lease comply with all other reasonable rules and regulations at any time or from time to time established by Lessor concerning use of the premises, parking, and the access road to the premises.

22. No Personal Liability to Landlord. Lessee shall look solely to Lessor's interest in the premises for the satisfaction of any judgment or decree requiring the payment of money by Lessor based upon any default under this Lease, and no other property or assets of Lessor, or property or assets of the partners, successors, or assigns of Lessor, shall be subject to levy, execution, or other enforcement procedures or satisfaction of any such judgment or decree.

23. Partial Invalidity. If any provision of this Lease is determined to be void by any court of competent jurisdiction, such determination shall not affect any other provision of this Lease and such other provision shall remain in full force and effect. If any provision of this Lease is capable of two constructions, one of which would render this provision void and one of which would render this provision valid, the provision shall be interpreted in the manner which could render it valid.

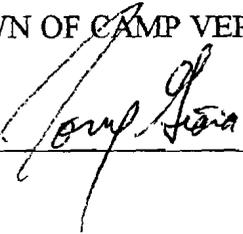
24. Time of Essence. Time is of the essence in this Lease and the terms and conditions hereof.

25. Month-to-Month Extensions. If Lessee desires to extend this Lease on a month-to-month basis, commencing on February 1, 2006, Lessee must notify Lessor no later than November 1, 2005. If the parties mutually agree, the term of this Lease shall be extended on a month-to-month basis commencing on February 1, 2006 on the same terms and conditions as set forth herein.

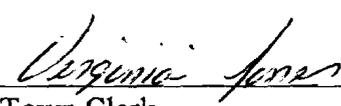
26. Conflict of Interest. This Lease is subject to termination pursuant to A.R.S. § 38-511.

LESSOR:

TOWN OF CAMP VERDE

By: 
Mayor

ATTEST:


Town Clerk

9-29-05
Date

LESSEE:

By: 

Name: Eric Bishop
Printed

ADDITIONAL INFORMATION
FROM
CHARLIE GERMAN
ITEM 13

APRIL 2, 2008
REGULAR SESSION

Communication Process: The following is only a suggested method and should be formulated with staff including the town manager for final approval by Council.

Background: Everyone has attempted to get something resolved in their life time. Sometimes the process was easy and other times it was frustrating and you might not have gotten an answer at all.

In a very short time I have received copies of complaints from members in the community and quite frankly, I am not sure who is going to answer the correspondence, especially when it is just a copy to council, mayor, and staff. I am not comfortable answering as an individual council member and I cannot explain at this point how or when the originator may get an answer. I know staff works hard to deal with the issues and this is no criticism of their efforts. I would just request that we ask staff to prepare a formalized procedure so that everyone knows both directions on how these issues other than personnel will be handled.

I know there is a procedure for handling complaints against personnel and that seems to be effective. The process and issues I would like to address would be whenever a complaint is received that deals with issues within a department and its scope of responsibility, the town manager/or designee would assign it to the department/s which would have responsibility or shared responsibility. When that assignment is made the manager/designee would sent an acknowledgement to the originator stating to which department/s their correspondence has been assigned and they may expect a response from that department as to its status within a period of time definite. There by the manager/designee, department/s and the originator knows it is being handled by those assigned. Only those complaints which are signed/or otherwise identified/verified will have assignment/s made.

The department/s will then assign correspondence to a person or persons for discovery of fact, background, and/or what has already been addressed by legislation, ordinance, policy, and procedure. When the department/s assigned have collaborated on joint issues a response would be made to the originator of the correspondence, via the Manager/designee prior to sending the response formally.

The outcomes I would have are these:

1. If the complaint is not covered by our town ordinances – Staff would bring to Council to determine the need for additional ordinance/s, policies and/or procedures at council meeting. Staff/Manager would make recommendation/s.
2. If this complaint has already been answered and made to other parties then it would be reported out as such with the specific references.

3. If legal opinion would be required steps to proceed by the Manager/designee would be determined as to whom: Town Attorney/County Attorney/State Attorney General.
4. If there is no statutory authority granted to the Town by Arizona Revised Statutes, that would be noted and constitute a valid response.
5. Other options, such as responses back to the originator of the complaint as to whom/where there may be a more defined jurisdiction: i.e. fire department, County Assessor, County Health Department, Marshal's Office for investigation of criminal issue, etc.
6. A periodic report/s would be made by the town manager/designee to Council as to the status of those issues which have crossed his/designee's desk for determination and assignment.
7. At the conclusion of this procedure we could anticipate that the members of the community would have realized at least a more specifically responsive town government to them. Council will have the confidence that there should be fewer and fewer complaints not being brought to resolution and are dealt with fairly and consistently. It will also assist council in its role with providing necessary "legislation" to appropriately govern the town through the statutory authority for administration of its "police" powers granted by the State of Arizona.
8. It would be recommended for complaints by multiple signers (petitions, letters, and like correspondence) responses from the town would be sent to the party responsible for the group and or address of record on the originating document.

Thank you for your time council and mayor. I would be willing to spend the time to work with staff/manager to develop such a procedure. I solicit your careful consideration and would appreciate your constructive criticism for this particular proposal. This procedure I believe would be tremendous benefit to all concerned and certainly it would in my opinion be working smarter rather than harder.

Respectfully,

Charlie German