

**REGULAR SESSION
COUNCIL HEARS PLANNING AND ZONING MATTERS
COMBINED
MAYOR AND COUNCIL
473 S MAIN STREET, SUITE 106
WEDNESDAY, DECEMBER 17, 2014 at 6:30 P.M.**

A MAJORITY OF THE PLANNING & ZONING COMMISSION MAY BE PRESENT AT THIS MEETING

Note: Council member(s) may attend Council Sessions either in person or by telephone, video, or internet conferencing.

1. **Call to Order**
Mayor German called the meeting to order at 6:30 pm.
2. **Roll Call**
Mayor German, Vice Mayor Baker, Councilors Whatley, George, Gordon, Jones and German.

Also Present: Town Manager Russ Martin, Marshal Nancy Gardner, Deputy Clerk Virginia Jones, Recording Secretary Marie Moore.
3. **Pledge of Allegiance**
The mayor led the pledge.
4. **Consent Agenda** – All those items listed below may be enacted upon by one motion and approved as consent agenda items. Any item may be removed from the Consent Agenda and considered as a separate item if a member of Council requests.
 - a) **Approval of the Minutes:**
 - 1) Executive Session – December 10, 2014 - Recorded
 - 2) Special Session – December 9, 2014
 - 3) Regular Session – December 3, 2014
 - 4) Special/Work Session – November 12, 2014
 - b) **Set Next Meeting, Date and Time:**
 - 1) December 24, 2014 at 6:30 p.m. – Council Hears Planning & Zoning Matters – **CANCELLED**
 - 2) January 7, 2015 at 6:30 p.m. – Regular Session
 - 3) January 14, 2015 at 5:30 p.m. – Work Session
 - 4) January 21, 2015 at 6:30 p.m. – Regular Session
 - 5) January 28, 2015 at 6:30 p.m. – Council Hears Planning & Zoning Matters.

On a motion by George, seconded by Baker, the Consent Agenda was passed unanimously.

5. **Special Announcements and presentations:**
 - **There are no Special announcements or presentations.**
6. **Call to the Public for Items not on the Agenda.**

Nikki Miller addressed council as president of Camp Verde promotions and asked for residents and Council to consider why anyone would want to volunteer to help in a town with all that is currently happening within the Town operations.

Town Clerk, Debbie Barber, stated that she had submitted her letter of resignation to the manager and will be retiring on March 2, 2015. Debbie stated that it is her hope that her resignation will bring peace toward

the controversy that has recently come to the town. Barber offered her apology to those she may have unintentionally hurt and asked Council to consider that it is human nature to defend family, which is what she chose to do and did so with pride.

Dana Schmitt, resident of Camp Verde and retired police officer commented in regards to the Marshal office and the high regard he holds toward all that Marshal Gardner has brought to the agency and the town. Schmitt referenced past employees and lack of professionalism he experienced with those who had left.

Jess and Shanna Mulcaire requested to address items in the report under item 10. The request was denied due to the matter being on the agenda. Shanna requested to speak while the topic would be discussed. Mayor German indicated that there would not be public input allowed on the matter.

Vice Baker requested that the Mayor allow the public to speak. Mayor German denied the request.

Nikki Miller addressed Council and requested all Council members read all of the documents they have received thoroughly.

Steve Goetting addressed Council and spoke of a previous meeting involving Economic Development Director Steve Ayers. Goetting voiced his clear disapproval of the current conduct of the Council.

7. **Possible recommendation for approval of Acquisition of Control for liquor license application for Clear Creek Vineyard & Winery located at 4053 Highway 260, Camp Verde, AZ, Staff Resource: Debbie Barber**

On a motion by George, seconded by Baker, Council voted unanimously for approval of Acquisition of Control for liquor license application for Clear Creek Vineyard & Winery located at 4053 Highway 260, Camp Verde, AZ.

Applicant, Ignacio Mesa addressed Council regarding his requested items on the agenda. Bruce George complimented the applicant on his facility.

8. **Possible recommendation for approval of Application for Extension of Premises/Patio Permit for Clear Creek Vineyard & Winery located at 4053 E Highway 260, Camp Verde, AZ. Staff Resource: Debbie Barber**

On a motion by George, seconded by Baker, Council voted unanimously for approval of Application for Extension of Premises/Patio Permit for Clear Creek Vineyard & Winery located at 4053 E Highway 260, Camp Verde, AZ.

Steve Goetting indicated that the applicant has some of the best wine in the state and commended his facility.

9. **Presentation and Safety training followed by discussion, regarding Camp Verde Adopt a Highway Permit for State Route Highway 260, Mile Post 224-225. Staff Resource Russ Martin. Upon request by Council, Agenda item 9 has been rescheduled.**

10. **Discussion of findings in the investigation of items requested by Camp Verde Town Council on August 18, 2014 Special Session and Items #5, 6, 7 of July 3, 2014 Employee Complaint, by Amy L. Lieberman, dated December 4, 2014 and possible sanctions of any and all Council Member(s) and Mayor pursuant to Section 15.10 and 15.11 of the Town Council Policies, Rules and Procedures. Note: Council may vote to hear this matter in Executive Session pursuant to ARS §38-431.03 (A)(1) for discussion or consideration of assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of a public officer, appointee or employee of any public body and ARS §38-431.03**

(A)(3) for discussion or consultation for legal advice with the attorney.

Town Manager, Russ Martin, explained to members of Council and the public what the purpose and options for item 10 are and how Council may proceed if the matter were to remain open or go into closed session as well as the option to use the advice of the town attorney if they so choose. Mayor German waived his right. Councilor George stated that he felt any type of personnel matter should be handled in executive session but indicated he chose to waive his right as well.

The meeting recessed at 7:04 pm and reconvened at 7:12 pm.

11. **Action following the discussion undertaken pursuant to Paragraph 3, Council may take action to impose sanctions on any and all Council Member(s) and Mayor as permitted by Section 15.10 and 15.11 of the Town Council, Policies, Rules and Procedures.**

On a motion by George, seconded by Whatley, Council unanimously directed staff to work with Mayor German with the object of implementing the recommendations of the summary final report for our council policies and procedures.

Vice Mayor Baker questioned the wording of item 10. The town manager explained that item 10 was to determine whether item 11 would be held in or out of executive session.

Baker indicated that she disagreed with the Town Attorney Bill Sims and how he directed that matter to be handled.

Baker addressed the findings of the investigations and stated she felt she had not done anything wrong and would continue to operate as she has for the past 3 elections of being a Council Member. Baker wanted it clarified that she validated information and felt complete disappointment in the results reported from the investigation, indicating that it was not a finding of facts but rather findings of perceptions, opinions and innuendos.

Councilor Gordon read from a written statement which is attached and becomes a permanent part of the record. Gordon proposed more explicit rules of what is and is not allowed and suggested a required attendance in Council/Manager relations. As to the Human Resource Director, Gordon feels the manager is doing a great job, but if the town had a different perception he would support a part-time position.

Councilor German addressed matters in the findings and stated that she did not change the process for the Job Order Contracting, but that she in fact received information from the manager at which she informed Council of and Council as a whole made the decision to change the process. German stated that she objected to the whole report and denied seeing any bid packets. German also stated that the complaint in question was brought forth before she made her documentation request from the Clerk's office. German stated that it is damaging and detrimental to base a conclusion on findings that are biased.

Mayor German clarified that the issue had never been in regards to Council members asking questions, as questions are encouraged. German indicated that requests being made by Council Members were not being sent to other Council Members and he had come to the realization that no one had knowledge that the information was not being shared. Mayor German indicated that Council Members have every right to ask questions, but the problem is the appropriate process was not followed. Mayor German stated that during no time of the investigation was anyone put under oath and that is an issue to take into consideration. Mayor German read a closing statement, which is attached and becomes a permanent part of the record.

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

Nancy Floyd indicated that she wrote the comment about the "hanging tree" and it was to reference that people were hung without the opportunity to defend themselves. Floyd questioned Council as to how the public would know when they can or cannot comment on a matter. Mayor German explained that State statute allows the opportunity to close a matter for comments and felt that public input would have only inflamed the situation.

Councilor Whatley indicated there would not have been a consensus if public input would have been allowed and commended Mayor German for keeping the matter civil.

Walter Miller commended Mayor German and stated that he would like to see all the people that showed up for the meeting to appear and support the good things of Camp Verde.

Hub Harris requested that Council keep an open mind on matters and to stop throwing daggers at each other. He indicated that Council should do the right thing amongst each other and stop any accusations. Harris commended both the Marshal and the Town Manager for their work to the town.

Dana Schmidt stated he is encouraged by the outcome and felt it is the duty and responsibility of Baker and German to change the perception of the public.

Steve Goetting discussed the January 7th meeting and requested the Council have a presentation regarding the speed to Cottonwood for the new highway.

Jess Mulcaire informed Council that the JOC process has been extremely successful and has currently saved the town \$70,000.00

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

Councilor George attended the Verde River Basin Partnership meeting.

Councilor Gordon attended the Arbor Day tree planning and also enjoyed the Christmas Parade.

Mayor German indicated that he attended a meeting with 2 congressional representatives approximately 2 weeks ago and brought for the flood water issues. There will be a meeting on December 18, 2014 at 6:00 pm in Verde Lakes and encouraged the public to attend.

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

Town Manager Russ Martin indicated that bids for the Library would be opened December 18, 2014 at 10:30 am in rooms 205 and 206.

15. **Adjournment**

On a motion by Baker, seconded by Jones, Council voted unanimously to adjourn the meeting at

8:22 pm.



Charles German, Mayor



Marie Moore, 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 Special/Work Session of the Town Council of Camp Verde, Arizona, held on December 17, 2014. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 12th day of January, ²⁰¹⁵~~2014~~.


~~Debbie Barber - Town Clerk~~

VIRGINIA JONES

Honorable Council,

I'm here tonight to let you know that I have submitted my letter of resignation to the Manager. I plan to retire on March 2, 2015. Ronald Reagan said, "Peace is not the absence of conflict, but the ability to cope with conflict by peaceful means." Let this be my offering of peace to those Council members, staff members, and the public who feel that there is something wrong with both me and my Mother serving our community at the same time. I hope that my offering aids in settling the turmoil.

My parents raised me to be honest, so I do not lie. My parents raised me to be hardworking, so I have worked hard my entire life, especially the last 25 years here. My parents raised me to honor and serve my Country, so I am proud to be an American, an Arizonan, and a Camp Verdean. Most importantly, I am proud to be an integral part of our democracy through the election process. My parents raised me to be loyal, so I am fiercely loyal. My parents raised me to be compassionate and to care about those less fortunate, so I have focused my career on making lives better. My parents taught me to apologize even if I did nothing wrong, so I apologize often. If my actions hurt anyone, I am truly sorry. But this I know, I stand firm in all that I said and did, is truth.

In good conscience, I cannot walk away without first asking, who, in this entire room would not defend their family member no matter what position they hold in life? We are all human beings with feelings. We should respect and honor that fact ALL of the time. If I did something wrong in defending my mother, then I will wear that badge with honor for the rest of my life. I am proud to be my mother's daughter and I can only pray that I follow in her footsteps because I know that everything about her comes from a place of purity and love.

I will close with a quote from Dalai Lama, "Only the development of compassion and understanding for others can bring us the tranquility and happiness that we all seek." Our work for peace must begin within the private world of each one of us. My hope is that we can learn and move on so that the healing can begin.

I am leaving with my head held high and I am honored that I was given the opportunity to serve the community that I love.

NANCY FLOYD

December 15, 2014

I have written and read many audit reports (which in nature are very similar to the results of an investigation) in my professional life and I find the Executive Summary(Report), that is supposed to reflect the results of an "investigation", is actually just writing up conversations with the persons interviewed. **One of the definitions of investigation is "a searching inquiry for ascertaining facts and detailed or careful examination."**

This Executive Summary is not an investigation and could have been completed by any qualified secretary/personal assistant. The Investigator merely spoke to people and recorded what they said and appears to accept their remarks as FACTS, adding excerpts from various Town manuals and Arizona Law to show that the conversations that she has scribed violate the verbiage in the manuals – it appears that all the conversations scribed are taken as FACTS and no research was completed to validate the conversations scribed from the persons interviewed.

There is no evidence in the Executive Summary to show that Amy L. Lieberman (Investigator) actually did ANY investigations. There are no comments in the report listing specific facts from audio/video and/ or minutes of Council Meetings. She merely regurgitates (repeats information without analyzing or comprehending it) what she has been told and does not follow up to substantiate what she has been told. There are many contradictions in the Executive Summary that are not addressed by the Investigator. This Executive Summary is not professionally written and certainly not worth thousands of taxpayer dollars.

There are so many innuendos, hearsay, rumors, lack of proof, second-hand information, perceptions, and beliefs that are not supported by facts in the Executive Summary. There is not sufficient time to research and address each one of them and I am responding to only a few– I don't have the weeks that the Investigator had to do the research; however, I feel that I'm doing some of the research and documentation THAT SHOULD HAVE BE DONE BY THE INVESTIGATOR. **I have not corrected typos or wording errors, but have taken it word for word from the Executive Summary.**

It is not acceptable that Amy L. Lieberman interviewed several staff members from the following: Planning & Zoning, Town Clerk's Office, Public Works, Town Manager & Human Resource Manager (Russ Martin), all the Town Councilors, Mayor, Town Marshal, **and did NOT interview anyone who actually signed the Employee Complaint and Town Council Concerns dated July 20, 2013.** This complaint, which was the catalyst that appears to have started all the events that eventually led up to hiring an outside "investigator", was signed by 11 employees of the Marshal's Office and **not one of these employees was interviewed.** While Marshal Gardner was interviewed and shared information about her staff; this is still second-hand information and cannot possibly convey all the information from 11 employees that is pertinent to the investigation.

Disgruntled people can and do spread false rumors and slander and distort the truth for their own self-interests. I believe that the results of this Executive Summary would have been very different if all the persons interviewed would have been **under oath.**

The allegations made by Jenna Owens have **not** been filed as an Official Complaint with Human Resources; just verbal communication. All the time and energy spent on these allegations is not warranted if an Official Complaint was not filed.

If this Executive Summary is accepted as written, it will remain in the archives and years from now people will read this and accept the information as fact. There are some slanderous & defamation of character statements made about Councilmembers and a private citizen; these statements have **done irreparable damage** to the person's reputation.

The Investigator and Readers of this document must realize that a person can have their own opinions, but cannot have their own facts and entrenched beliefs are never altered by facts.

EXECUTIVE SUMMARY

INVESTIGATION OF ITEMS REQUESTED BY CAMP VERDE TOWN COUNCIL ON AUGUST 18, 2014 SPECIAL SESSION AND ITEMS #5, 6,7 OF JULY 30, 2014 EMPLOYEE COMPLAINT

Amy L. Lieberman, Esq.

December 4, 2014

II. PERSON INTERVIEWED

A. There is a lack of consistency referring to individuals in the Executive Summary-often using different usage of the name for the same person in the same paragraph:

1. Councilmember Carol German is referred to as:
 - Councilmember German
 - Ms. German
 - Carol German
 - Carol Gardner
 - Councilmember Carol
 - Carol
2. Vice Mayor Jackie Baker is referred to as:
 - Vice Mayor Baker
 - Jackie Baker
 - Ms. Baker
 - Jackie
 - Vice Mayor
 - Vice Mayor Jackie Baker
3. Town Marshal Nancy Gardner is referred to as:
 - Town Marshal Nancy Gardner
 - Nancy Gardner
 - Marshal Gardner
 - Nancy
4. A few others, but not as many as mentioned above.
5. See page 14 of the Executive Summary with the beginning of 3 paragraphs referring to Vice Mayor Baker as: Ms. Baker; Jackie Baker, and The Vice Mayor – select one use of the name and use it; these do NOT REFER TO 3 DIFFERENT PEOPLE. Consistency is a measure of a well-documented and professionally written report.

B. PERSONS NOT INTERVIEWED

1. The employees from the Marshal's Office that actually signed the Employee Complaint and Town Council Concerns dated July 20, 2013 were NOT interviewed. A complaint cannot be investigated without interviewing the employees that ACTUALLY made the Employee Complaint – they have first-hand knowledge of their complaints. An interview of each employee signing the complaint would also reveal if any employees felt pressured to sign the complaint.

An attempt has been made to list the names of the employees that signed the complaint; however, it is difficult to make out some of the names – below is what can be determined without further research – there is not sufficient time to research everything that is being presented in this Response; as the next Council Meeting is only a few days from now up). “?” mark by names indicates that the spelling may be incorrect:

- DARBY MARTIN
- JENNIFER ZWAK
- STEVE BUTLER
- STEVEN GANIS
- DONALD B GRINT
- OSCAR BERREIEZ
- NEAL LANNING ?
- DAVID FREEMAN
- DONALD CALDWELL?
- JAMIE SCOTT ?
- LANA STONE

III. DOCUMENTS AND ITEMS REVIEWED

- Carol German Response to Employee Complaint with attachments
 - Thumb drive

An investigative report MUST list all sources used in the investigation. A detailed list of the files/documents on the thumb drive must be included in the Documents and Items Reviewed.

IV. FINDINGS

A. BUDGETARY IMPACTS AND THE ALLOCATION OF RESOURCES IN ORDER TO RESPOND TO PUBLIC RECORDS REQUESTS

1. “Town Manager Russ Martin explained that much staff frustration was felt due to public records requests from Ms. Wischmeyer, whose husband was a former Town Marsha, who was terminated.”

()** “. . . Ms. Wischmeyer, whose husband was a former Town Marsha, who was terminated.” This statement seems to set the stage for others who have been interviewed to repeat and make an assumption that Mrs. Wischmeyer holds a long-time grudge or vendetta against the Town and some departments. In several discussions with Mrs. Wischmeyer the topic of a grudge or vendetta was never indicated.

The Incident and Document Review dated September 17, 2014 by Cheri Wischmeyer was presented to the Town Council on September 17, 2014 during a Town Council Meeting. Mrs. Wischmeyer has first-hand, professional experience as both an Auditor and Human Resource Manager. Her Review was completed as a result of being contacted by both past and current employees of the Camp Verde Marshal’s Office. The information they provided to Mrs. Wischmeyer caused her concern relating to morale and professionalism within the Marshal’s Office and concerns related to the Human Resources policies and procedures of the Town of Camp Verde.

The documents and records requested to complete the Incident and Document Review apparently have put forth the notion that there was a “vendetta”; which has not been supported with factual information in the Executive Summary. Some of persons interviewed in the Executive Summary repeat the same thing regarding the termination of Mr. Wischmeyer; however, no factual information has been presented to support the allegation that Mrs. Wischmeyer has a vendetta against the Town Marshal.

B.IMPACT ON EMPLOYEES WHEN COUNCIL MEMBERS TAKE ACTIONS THAT DIRECTLY IMPACT TOWN EMPLOYEES

1. Mayor German said that Councilmember German was upset that Town Manager Russ Martin requested a waiver for the Town Marshal, to allow her to reside outside the Town Limits.

Marshal Nancy Gardner purchased a home in Munds Park, Arizona – which is about 40 miles from the Town of Camp Verde and planned to commute daily. This is a long distance to commute with a Town car and especially in the winter when the highway is sometimes closed because of snow; not allowing the Marshal to get to work. The Marshal moved to Munds Park prior to receiving a “waiver” from the Town Council.

2.”Public Works Director Ron Long stated that the all his staff are upset, based on Carol German and Jackie Baker trying to oust the Town Marshal. They all wonder, “Who is next?”

Apparently, there is no paper trail to prove the allegation. There has been no evidence provided in this Executive Summary to support the allegation that Councilmembers German and Baker are trying to “oust” the Marshal. It appears to be all hearsay; gossip, belief, and rumor.

C. THE TOWN CODE REQUIREMENT TO ALLOW THE TOWN MANAGER TO MANAGE THE ADMINISTRATIVE AFFAIRS OF THE TOWN

1. Based on the interviews with Public Works Director Ron Long and Deputy Troy O’Dell, **it cannot be determined exactly what happened between them and Councilmember German.** There are so many changes and contradictions in their interviews that only a few are going to be addressed by grouping them with conflicting statements made by Ron Long and Troy O’Dell. “Quotations” indicate that the information is taken directly from the Executive Summary, word for word – with bold added to highlight the inconsistencies:

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“The Town Attorney had advised them not to release the bids, and Russ relayed this to Ron Long, but once again, Ron felt pressured by Carol and he released the records.”

“Mr. Long clarified that the bids were not released to Ms. German prior to submittal of our staff report to the Clerk’s Office.

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“In hindsight, his Deputy Troy O’Dell probably should not have given Carol German the information on the bids. She showed them to all the contractors, who got upset as the rankings.”

“Troy O’Dell clarified that he did not actually give Ms. German the list, the scores or the matrix, but only explained the bid process and results to her.”

“Mr. Long clarified that the bids were not released to Ms. German prior to submittal of our staff report to the Clerk’s Office.

"In retrospect, Mr. O'Dell and Mr. Long stated that they are not sure how the contractors found out about the rankings, but Ms. German was the only one outside of the ranking committee and staff who knew the rankings at that time."

It appears that Councilmember German, along with the committee and staff all knew the rankings; no one person can be identified as having passed along information.

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"...Carol's actions caused a delay that jeopardized that hold. Her actions have caused at least a 3-month delay."

"Mr. Long also stated that it would be unfair to blame the delay solely on Ms. German as the entire council agreed with her request to re-bid the project.

The following is from the minutes of the Regular Session of the Town of Camp Verde Council Meeting on June 18, 2014. "On a motion by Councilor Gordon, seconded by Vice Mayor Baker, the Council unanimously voted to reject all bids." Councilmember German **DID NOT MAKE THE MOTION OR SECOND THE MOTION** regarding the rejections of the bids.

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"Troy allowed Ms. German to review the rating matrix, but did not provide her with a copy. Apparently Ms. German wrote down or memorized the ratings which were somehow passed on to all of the local contractors that were not selected."

"In retrospect, Mr. O'Dell and Mr. Long stated that they are not sure how the contractors found out about the rankings, but Ms. German was the only one outside of the ranking committee and staff who knew the rankings at that time."

Councilmember German, along with the committee and staff all knew the rankings; no one person can be identified as having passed along information.

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2. ". . Ron Long, who felt pressured and ended up "caving in" and going with a different process for awarding contracts that Councilmember German wanted."

"Again, Carol was upset that no local contractors were on the list."

The following minutes includes comments that directly relate to refuting Ron Long's statement that he "ended up caving in and going with a different process for awarding contracts that Councilmember German wanted." The excerpts from the minutes listed below document that Councilors Whatley, Baker, German, Jones, and Mayor German all agreed that changes should be made to the process. And several Councilmembers supported having local contractors included. An electronic file was not available to allow copy and paste of the original minutes, they have been retyped; apologizes in advance for any errors; actual Minutes are available on the Town's website.

2014:

#11 Discussion, consideration, and possible award of separate Job Order Contracts to Fann Environmental, Kinney Construction, McDonald Brothers Construction, and Tiffany Construction in order to provide a variety of Public Works, Streets, Stormwater, and general maintenance construction. Staff Resource: Ron Long.

(The Motion and all Public Input are not included in this Response; a review the full minutes regarding this item is available on the Town's website.)

Public Input

- **Chip Norton** stated he was not connected to this process in any way, but that he had experience as a retired contractor and selecting job order contractors. He explained that JOCs are usually used for emergency purposes and not for general construction purposes.
- **Councilor Whatley** expressed her desire to follow a similar outline to Chip Norton's description and utilize the JOC process for small immediately necessary jobs.
- **Long** advised that the wastewater treatment plant is what is in need of immediate attention and is the largest area of concern, noting that the system could fail at any time. He said that if Council was not ready to try the JOC process, they could continue with the existing bid process.
- **Councilor Baker** conveyed support in following rules & regulations while supporting local contractors, as that was an agreement of Council at last year's retreat. While understanding the process will save time, she suggested that all contractors that applied were qualified and should be included on the JOC list.
- **Long** advised that each contractor that applied were very close in qualifications, be he reiterated the necessity to focus on the wastewater treatment facility when considering contractors for the JOC
- **Councilor German** commended all the contractors that submitted proposals and expressed concern regarding the limitation to only four specific contractors. She said that since the process will still require the contractor to submit a quote to the Town for each job, the opportunity could not exclude qualified, local contractors.
- **Long** advised that Council had three choices to consider: 1) move forward with the process as it has been presented; 2) do not utilize the Job Order Contract process at all; 3) award all 12 applicants with the Job Order Contract. He noted that if Council chose to include all 12 applicants, the attorney should be consulted to ensure that we are complying with what was originally outlined in the Statement of Qualifications packet.
- **Councilor Jones** agreed with German, Whatley, and Baker. She said that she felt the Council is here to serve the community and that it would be a disservice to eliminate local contractors that applied and were qualified.
- **Councilor George** disagreed with the entire process, noting that it should be used only for emergency purposes only. He also expressed concerns about the appearance of impropriety and favoritism.
- **Mayor German** agreed with the need to support local merchants and contractors, noting the original idea was not to place a limitation on a specific number chosen. He agreed that the Town Attorney should review the Council's proposal and asked that Long advise the Council as soon as possible.
- **Baker** noted that Council makes the decisions on contract awards and that there should be no problems with including all 12 of the contractors that submitted Statements of Qualifications.

3. Councilmember George “believes Ms. German is working in league with Cheri Wischmeyer, that they are a “team” and have both worked together to scan and review documents. Cheri has a long-time grudge against the Town for firing her husband, a former Town Marshal.

Beliefs are not facts. Councilmember George appears to have accepted that a statement made by someone regarding Ms. Wischmeyer having a long-time grudge is a fact. (Refer to ()) on page 3 of 12)**

4. Councilmember George “. . .has no proof, but feels she (Councilmember German) has been on a “witch hunt” along with Ms. Wischmeyer to oust the Town Marshal, and they have a “vendetta” against the Marshal’s office since the residency issue occurred.”

No proof and feelings are not facts; just an opinion or repeated rumors or gossip. Again, everyone can have their own opinions, but they cannot have their own facts. Mrs. Wischmeyer may take exception to this Executive Summary which now is a Public Record with accusations being leveled against her, a private citizen. (Refer to ()) on page 3 of 12)**

Dunegan/Grover Issue – Vice Mayor Baker’s Involvement

1. “The Vice Mayor does not think she was “investigating,” and thinks she acted properly. She stated that she would not do anything differently. She stated that if the Manager does not follow through, she believes it is “our duty” to follow through and learn information.” Dunegan gave Jackie a disk recording of his hearing. Vice Mayor Baker also states that she gave a disk to Town Manager Russ Martin for his review because there was something troubling that he should listen to.

2. Councilmember Gordon states that “Ms. Baker stepped out of line when she confronted a citizen, instead of bringing the matter to Town Manager Russ Martin to look into.”

The disk recording was from the Marshal’s Office of conversations between Officer Grover and others; not a recording of the hearing. Vice Mayor Baker DID bring the matter to the Town Manager by meeting with the Town Manager and providing him with a disk with troublesome information for him to listen to; however, it appears that the Town Manager did not follow through.

3. Councilmember George states that “. . . . she will say she was trying to help a friend or to give advice. However, she went beyond that to the detriment of the Town.”

The disk provided to the Town Manager “referring to a statement Grover made that he offered to show Dunegan’s ex-girlfriend’s Dad where Dunegan lives when the Dad said he wanted to shoot Dunegan.” If this threat to shoot someone would have been carried out, that would have been a “detriment of the Town.”

4. Mayor German “does want to be sure there is a system of checks and balances in place” (pg. 18 of Report).

It appears that there is NOT a system of checks and balances in place regarding complaints brought to the attention of the Town Manager Russ Martin, resulting in some complaints not being followed up on in a timely manner, forcing others to take action.

Employee Complaint Item #6: Allegations that in a civil court hearing a local known felon testified under oath that Vice Mayor Baker assisted him in verifying information on the activities of an employee and provided him with guidance in his effort to discredit this potential ex-employee of the Marshal’s Office.

The Investigator does not indicate if the known felon did testify under oath about Vice Mayor Baker providing him with guidance in his effort to discredit this potential ex-employee of the Marshal's Office. There should be a finding documented by the Investigator indicating if this fact or fiction.

E. THE IMPORTANCE OF HOLDING THE TOWN MANAGER ACCOUNTABLE AND THE RAMICATIONS IF COUNCIL MEMBERS IMPROPERLY INTERACT DIRECLTY WITH TOWN STAFF

1. "Jenna has been with the Town as a planner for 9.5 years."

This is not a true statement, while Jenna's current position is Planner, during her employment years with the Town she has held several different job titles in different departments and was eventually promoted to Planner.

Referring to Jenna's statements: "The employee was very upset and fearful that her job was in jeopardy"; "She was very worried about her job as a result." "Jenna is now nervous and will not talk to Ms. German again without someone else present."

A request was made for a copy of the Official Employee Complaint filed by Jenna Owens against Councilmember German. Russ Martin replied that NO Official Complaint has been filed by Jenna Owens. The Human Resource Manager Russ Martin has escalated the complaints by Jenna Owens and allowed the undocumented accusations against Councilmember German to be included in this Executive Summary without requiring that an Official Complaint be completed and filed. An Official Complaint needs to be filed and Town policy and procedures followed regarding Official Complaints; this protects both the employee and the Town.

Jenna is also one of the employees that was "so embarrassed" by Planning and Zoning Committee Member Bob Burnside, that Council included her embarrassment, along with other issues, and called a Special Session in an attempt to remove Bob Burnside from Planning and Zoning Committee.

Russ Martin as both the Town Manager and Human Resource Manager has the responsibility of terminating an employee, not a Councilmember. There are several references throughout this Executive Summary indicating that employees from different departments are in fear of losing their jobs. To reduce the climate of fear that appears to currently exist with some Town employees, Human Resources policies and procedures should be in place to provide guidelines for employees, documenting exactly what actions by an employee constitute termination.

2. "Russ stated that Carol has also frequently called staff on unbudgeted items, such as putting up banner poles."

This is not a true statement. Russ has completely taken this unbudgeted banner poles issue out of context as indicated in an email between Russ Martin and Nancy Floyd, dated 6/23/2014. A copy of the email is included below (reference to Mrs. German-this is Councilmember German):

From: Russ Martin [mailto:Russ.Martin@campverde.az.gov]

Sent: Monday, June 23, 2014 9:58 AM

To: Ray and Nancy

Cc: Ron Long; Steve Ayers; Carol Brown; Carol German; Carlie Androus; Bobbie Tennant; Nikki Miller; Rosalie McKnight; Marie DeClue

Subject: RE: WHO IS TO BE HELD ACCOUNTABLE FOR NOT GETTING THE BANNER POLES UP PRIOR TO THE CORNFEST, AS PROMISED?

"Nancy,

Thank you for your time in giving me the background from your point of view, it is very helpful. As my conversations with both Mrs. Miller and Mrs. German went last week, I expressed to both that we will be

working on this issue this week determined to not let this project go any longer than is necessary and with both this year's and next year's budget now approved we will find a way to complete this project as soon as possible as it is important. As I promised I will get back with Bobbie in Nikki's absence with the plan moving forward within the next couple of days when I have a clearer picture of deadlines from the staff and consultant.

Thank you again for all the time you and the other volunteers continue to give,

Russ Martin

473 South Main Street, Ste. 102

Camp Verde, AZ 86322

russ.martin@campverde.az.gov

[P] 928.554-0001

[F] 928.567.8291

From: Ray and Nancy [<mailto:verdevista@swiftwireless.com>]

Sent: Sunday, June 22, 2014 7:14 PM

To: Russ Martin

Cc: Ron Long; Steve Ayers; Carol Brown; Carol German; Carlie Androus; Bobbie Tennant; Nikki Miller; Rosalie McKnight; Marie DeClue; Ray and Nancy Floyd

Subject: WHO IS TO BE HELD ACCOUNTABLE FOR NOT GETTING THE BANNER POLES UP PRIOR TO THE CORNFEST, AS PROMISED?

Importance: High

Dear Russ,

You may not think it is important or that it is a big deal that the poles to hang banners across main streets to the Town be installed by the 2014 Cornfest, but I assure that it is very important. A little history on what has transpired, from my point of view:

1. Troy O'Dell attended a Spring Heritage Pecan and Wine Festival meeting in February to report that in his discussions with APS if wires were put up across the street to hang banners it could only be for one event; then they would have to be taken down after each event. We said we wanted a permanent solution to hang the banners for all 3 major events. Troy said there was not enough time to get this done for the March 29th Spring Heritage Pecan and Wine Festival, **but it would be done for the 2014 Cornfest.**
2. The installation of these poles was being tracked on the Spring Heritage Pecan and Wine Festival Project Plan, but the dates were deleted for "actual start" and "actual end" dates with a notation that this would be completed for the Cornfest.
3. Carol German, volunteering for Camp Verde Promotions, was working with Town employees to get the poles installed. And she has been very diligent in following through on this task.
4. We were not aware that the engineering was outsourced; guess it was assumed that with a couple of engineers on the Town's payroll that it wasn't necessary to outsource something as simple as installing some banner poles.
5. As of this date, June 22, 2014, not only are we not going to be able to advertise the event, **WE ARE AT RISK OF LOSING THE TOWN'S FUNDING TO PAY FOR THE MATERIALS IF NOT PAID FOR BY THE FISCAL ACCOUNTING YEAR ENDING JUNE 30, 2014.**
6. I don't understand why Troy was not able to get this important task **completed as promised.** It is not like there is no precedent for putting up poles to have banners across a main street; Cottonwood has been doing it for years. Couldn't someone have contacted Cottonwood to see what procedures they followed and

if they had to outsource for an engineer? If their engineering was outsourced, how about using the same engineer since this person is experienced in successfully getting poles installed. I don't know what engineer the Town is using and paying for, **but it should not have taken this person over 4 months to figure out the specifications and materials required for the installation of these poles** – I'm assuming this person has some type of engineering degree.

7. The volunteer hours add up to several thousand hours to successfully complete the Spring Heritage Pecan & Wine Festival, Cornfest, and Ft. Verde Days events and no one gets paid for these hours. And it isn't a though we are working on only one event at a time – we have to work on the next event before we finish the current event. For example, **we have to get out the press releases to some publications no later than 4 months prior to the event**, which means that while we are in the midst of planning one event, we have to be working on the next event at the same time (see AZ Highways magazine's July 2014 issue, page 14; which comes out about the 2nd week of June). This is not a lot of work to write up, but important tasks that must be completed by certain deadlines. We have already had to submit the Ft. Verde Days info to a couple of publications and we haven't even finished with the Cornfest. And a much larger and more time consuming task is to start contacting vendors for the next event. **These are just a couple of examples of deadlines that we must meet to ensure we publicize the events and get on the Vendor's calendars to participate-this is a challenge to juggle time and meet deadlines.**

8. It is my understanding that these events are **one of the keys to Economic Development** for the Town of Camp Verde to get visitors into Town and to be able to show high numbers of attendance to prospective business people to encourage them to start a new business in the Town. And of course, the more visitors we have attend the events, the more revenue is brought into our local economy. Banners across main streets announcing the events are a very important element to spreading the word and bringing in more visitors. I will end this by stating that we have a limited number of volunteers and never have enough volunteers so that people only have one task to complete. Unfortunately, volunteers must be asked to take on many, many hours to successfully complete several tasks for each of the events. **Please keep in mind that these are not all retired people, but several have jobs and add volunteering to their list of priorities which is a huge time commitment.**

When we found out that the poles for banners across main streets were **not going to be installed as promised for the Cornfest**, the feeling is that it is very frustrating and demoralizing for volunteers. Unfortunately, this is type of thing that turns off volunteers because it appears that road blocks (no pun intended) are being put up and we have to keep spending time fighting the battle to get the poles installed and paid for before the end of the budget period.

I truly hope you can get this resolved so that at least all the materials are paid for before June 30th 2014 and I hope that someone is held accountable to get the poles installed in an efficient and timely manner.

Sincerely,

Nancy Floyd

Getting to be a "burned out" volunteer"

3."Councilmember Gordon has heard second-hand that Ms. German has been disrespectful to Russ and town staff, in public."

Some synonyms for **second-hand information**: buzz, gossip, grapevine report, hearsay, rumor, scuttlebutt, talk, word of mouth, and unconfirmed information. **Second-hand information cannot be treated as factual information.**

4.Councilmember Robin Whatley ".....Carol German undercuts the Manager by the level of her involvement in details."

Constituents that voted for Councilmember German because of her commitment to do research before voting on agenda items rely on her (as well as all Councilmembers) to review all agenda items in detail to best serve the Town of Camp Verde. There is truth in the idiom that "the devil is in the details". It is incumbent on staff to provide the details either in a meeting or later follow-up.

5. "She (Robin) has called the Attorney once, whereas Carol and Jackie call him all the time."

Instead of relying on the generalization in this statement, the Investigator should have reviewed the actual number of times Councilmembers German and Backer actually called the Attorney. This should have been an easy thing to verify by reviewing the Attorney's billings for a specific time period. For example: A review of the billings from Sims-Murray attorneys for the years 2013 through October 2014 revealed that total number of times Councilmembers German and Baker have called for legal advice is "x" number of times.

F. COUNCIL POLICIES, RULES AND PROCEDURES AND CODE OF ETHICS REQUIREMENTS AND POSSIBLE OPTIONS FOR TOWN COUNCIL INCLUDING THE ENFORCEMENT PROCESS THEREOF

1. Councilmember George believes Councilmember German should resign. He indicates that she packs the Council Meetings with friends and neighbors, and has others write letters."

Town Councilors and the Mayor should give the same advice to a citizen that Councilmember German gives when asked by a citizen how they can address an agenda item about which they are concerned. Councilmember German has advised citizens that they need to address the full Council at the meeting or if they can't attend a meeting; then send their concerns/thoughts in writing to the full council. Constituents can also be friends and neighbors.

G. ALLEGATIONS THAT COUNCILOR GERMAN FALSELY ACCUSED THE TOWN MARSHAL (EMPLOYEE) OF VIOLATING TOWN CODE AND WANTING HER CRIMINALLY CITED AND DISCIPLINED IN A TOWN COUNCIL MEETING, WHICH IS ALLEGED TO VIOLATE TOWN COUNCIL POLICIES, RULES AND PROCEDURES 1.5.(D).

1. Councilmember George definitely recalls Carol German stating at the council meeting on the residency requirements, that the Marshal should be "prosecuted" for violating the Town Code.

2. Councilmember Robin Whatley also recalls Carol German at the Council meeting on the Marshal's residency, saying the Marshal should be "cited or disciplined."

While there is no audio of this meeting, a review of the minutes from Town Council's Regular Meeting on October 16, 2013 Item #7 revealed that Councilmember German stated the following: "German said that if decisions are being made without being brought to Council then there was no need for a Council. German questioned what the citizens would think when they realized that the Town Marshal is violating the law. She felt that there was now a personnel issue that should be addressed in executive session. She said that if the Codes were not being enforced, we might as well throw them out".

THERE IS NOTHING DOCUMENTED IN THE MINUTES REGARDING THE MARSHAL BEING CRIMINALLY CITED AND DISCIPLINED. Saying that the Marshal is violating the law is NOT stating that she should be criminally cited and going into an Executive Session to discuss a personnel issue does NOT state that the Marshal is to be disciplined.

Item #4.a.1 Councilor George stated that he pulled the minutes of October 2, 2013 because there was a concern from the public that they were not sufficient. He read the portion of the Town Policy regarding the taking of the minutes and referred to the state statute regarding the taking of written minutes. Councilor George stated the minutes comply with the local and state law.

3. Councilmember Jones does not recall if Carol German said the Marshal should be 'cited or disciplined.'" She does note that Cheri Wischmeyer has a 'vendetta' against the Marshal's office and Carol German seems to be "consumed" by Cheri.

Councilmember Jones did not provide anything evidential regarding Cheri Wischmeyer having a vendetta against the Marshal's Office. There was nothing factual presented in her statement. (Refer to ()) on page 3 of 12)**

4. Marshal Gardner indicated that "Carol German, Jackie Baker and Cheri Wischmeyer are all at Carol's house after Council meetings.

Marshal Gardner's statement is not supported by facts in this Executive Summary. It is not known if an employee from the Marshal's Office drives by the home of Councilmember German; if Marshal Gardner received this information second-hand; or if Councilmember German's house under surveillance.

5. Debbie Barber stated in her Response letter that the "video and minutes of the meeting show that Councilmember German was not criticizing the Marshal's performance, but the fact that the Marshal moved outside of town limits without a waiver." Debbie's response states this accusation was "not false, as it was a violation of Town Code 3-2-4." However, Debbie did not attend this meeting herself. At the time she prepared this, she was not aware that the audio did not record. Her comments were based only on the minutes. She said there were other meetings where Carol stated her concerns were not about performance.

Comments based solely on the minutes can be relied upon as factual. As stated in #2 above regarding minutes from another meeting, Councilor George stated the minutes comply with the local and state law. This indicates that minutes taken for Council meetings can be relied upon because the process followed complies with local and state law.

V. CONCLUSIONS – There are too many innuendos, hearsay, rumors, lack of proof, second-hand information, perceptions, feelings, and beliefs that are not supported by facts in this Executive Summary to give any credence to the Conclusions.

VI. MISCELLANEOUS MATTERS- There are too many innuendos, hearsay, rumors, lack of proof, second-hand information, perceptions, feelings, and beliefs that are not supported by facts in this Executive Summary.

VII. RECOMMENDATIONS – Recommendations cannot be made that cannot be supported by **FACTUAL INFORMATION AND/OR DOCUMENTATION.** Information based on personal perceptions, rumors, assumptions, second-hand information, feelings, beliefs, and false statements are reported throughout the entire the Executive Summary. The reputations of several people mentioned in the Executive Summary have been irreparably damaged by the misinformation reported as factual.

This is a poorly written and executed document; it does not reflect the work of an independent INVESTIGATOR. The taxpayer's money has been needlessly wasted on the Executive Summary that does not represent a valid investigative report, **supported by facts.**

This Executive Summary cannot be accepted as a final investigative report that will be in the public domain for years and will be accepted as factual for future generation to read and rely on as factual.

*Rec'd at meeting
attach to 12-17-2014 memo*

MY NAME IS DANA SCHMIDT AND I WAS A POLICE OFFICER IN THE VERDE VALLEY FOR 20 YEARS. RETIRING AS AN ASSISTANT CHIEF OF POLICE IN SEDONA. I ALSO HAVE BEEN A RESIDENT OF CAMP VERDE FOR THE PAST 13 YEARS. I WOULD LIKE TO MAKE SOME COMMENTS ABOUT THE CAMP VERDE MARSHALS OFFICE AND THE RECENTS ATTEMPT BY CERTAIN COUNCIL MEMBERS AND A CITIZEN ACCOMPLICE TO DISCREDIT THE MARSHAL AND GOOD EMPLOYEES OF THIS AGENCY.

SINCE MARSHAL GARDNER HAS BEEN HERE SHE HAS BROUGHT MORE PROFESSIONALISM, BETTER TRAINING AND BETTER EQUIPMENT TO THIS AGENCY THAN ANY MARSHAL HAS IN THE PAST 20 SOME YEARS OF THE MARSHALS OFFICE EXISTENCE. SHE HAS TURNED WHAT WAS A POORLY DISCIPLINED, POORLY TRAINED LAW ENFORCEMENT AGENCY INTO ONE THAT IS NOW BEGINNING TO GAIN THE RESPECT OF THE OTHER LAW ENFORCEMENT AGENCIES IN YAVAPAI COUNTY. I CAN SPEAK WITH SOME EXPERIENCE ON THIS. THE CAMP VERDE MARSHALS OFFICE WAS NEVER HELD IN VERY HIGH REGARD BY THE OTHER AGENCIES IN THIS COUNTY.

I TOOK THE TIME TO READ THE EMPLOYEE COMPLAINT AND INVESTIGATIVE REPORT CONCLUSIONS PREPARED BY AMY LIEBERMAN. I FOUND IT CURIOUS THAT COUNCILPERSON BAKER INDICATED SHE WAS CONCERNED ABOUT THE LOSS OF SO MANY GOOD EMPLOYESS AFTER THE MARSHAL TOOK OVER.

COUNCIL PERSON BAKER, THOSE EMPLOYEES WERE THE ONES THAT WERE EITHER INVOLVED IN UNETHICAL BEHAVIOR, OR WERE ANGRY THAT THEY NOW HAD A MARSHAL WHO WOULD REQUIRE THEM TO DO THEIR JOBS IN A PROFESSIONAL , COMPETANT MANNER. THOSE WERE THE FOLKS THAT LEFT. IT IS IMPERATIVE THAT POLICE OFFICERS BE HONORABLE, ETHICAL AND HIGHLY PROFESSIONAL IN THEY WAY THEY TREAT THE PUBLIC AND PERFORM THEIR DUTIES. MARSHAL GARDNER IS WORKING HARD TO BRING THIS KIND OF QUALITY TO THE MARSHALS OFFICE. YOU AND EVERY CITIZEN OF THIS COMMUNITY SHOULD BE THANKFUL FOR HER DEDICATION.

THE CONTINUED PETTY ATTACKS BY COUNCIL PERSONS GERMAN, BAKER AND THEIR CITIZEN ACCOMPLICE ON THE MARSHALS OFFICE ARE DEVICIVE, AND SMELL OF A PERSONAL VENDETTA. I WOULD HOPE THAT IF LEGALLY POSSIBLE, THE REST OF THIS COUNCIL CENSURES THESE 2 COUNCIL MEMBERS AND TAKES ANY MEASURES POSSIBLE TO CORRECT THIS SITUATION.

Dana Schmidt

**RESPONSE TO EXECUTIVE SUMMARY BY AMY LIEBERMAN
BY: CAROL GERMAN, COUNCIL MEMBER**

This report, as well as the draft report, contains many statements that are based only on hearsay and innuendo rather than substantiated by proven fact. As an accused council person, I was never made aware of, or given the opportunity to respond to the many allegations in this report prior to the generation of the draft report, as well as this report. Many of these allegations are not only unsubstantiated accusations, but are also false. However, the report conveys them as fact.

I sincerely want to convey to anyone (citizens, staff, Council Members) who may have perceived that my inquiries or actions were anything other than honorable and ethical efforts to ensure that I am fulfilling my responsibilities as a Town Council Member. If I have offended anyone, please know that it was never my intent to do so. I feel honored to have been elected by the citizens of the Town of Camp Verde and feel a strong sense of responsibility to represent them to the best of my abilities, which sometimes requires that I ask questions and research details prior to voting on Town Council Agenda Items.

Finally, I have been accused many times throughout this report of being "upset" about various Council agenda items. It appears that some individuals are confusing my responsibility to make informed decisions by acquiring all necessary information with being "upset".

It is my belief that Council Persons are elected by the public to represent them. This includes being receptive and responsive to their concerns and needs. Because of this trust placed in me as a Council Person I have always had the best interest of the citizens and the Town in everything I do, and as clarification for my fellow Council Members and Citizens the following is my response to various sections of the draft report and this report submitted by Amy L. Lieberman, Esq. to the Town Council.

IV. FINDINGS (Beginning on Page 4, Executive Summary of Draft Report)

SECTION A: BUDGETARY IMPACTS AND THE ALLOCATION OF RESOURCES IN ORDER TO RESPOND TO PUBLIC RECORDS REQUESTS

The report does state that there is no significant budgetary impact, nor are there additional resources that should be allocated in order to respond to such requests. As a council person I have made minimal requests. I cannot speak for other council members or citizens.

SECTION B: IMPACT ON EMPLOYEES WHEN COUNCIL MEMBERS TAKE ACTIONS THAT DIRECTLY IMPACT TOWN EMPLOYEES

I provided the investigator with factual information proving that I never accused the Town Marshal of violating the Town Code and wanting her criminally cited and disciplined. The facts show that this is

an unwarranted accusation. **The perception that the Vice Mayor and I have a “vendetta” against the Marshal and want her “ousted” is completely untrue. Perception is not necessarily a reality.** I did not criticize Jenna Owens. I have not made complaints against any staff. If I had a complaint, I would address it with the Manager. I did not request personnel files or any POST applications. When an employee from the Marshal’s Office shared in public background information on several deputies and insinuated that Counselor Baker and myself were somehow involved, I decided to check. That request was rescinded when the manager told me that a complaint had been filed against that employee for improperly giving detailed personnel information on those deputies.

The Town Manager has made disparaging remarks about me to Town Staff. I did ask the Town Manager about this, and he admitted that he had. Hopefully it is untrue that the Town Manager prepared three Staff members as to what to say during their interview with Ms. Lieberman as I have recently been told. This kind of unprofessional behavior is what causes dissension not only among Staff, but also between the Staff and Council.

C. THE TOWN CODE REQUIREMENT TO ALLOW THE TOWN MANAGER TO MANAGE THE ADMINISTRATIVE AFFAIRS OF THE TOWN

Regarding Job Order Contracting,, Library Bids, and the Residency Requirement: These were all Council Decisions based on agendized items. None of these decisions were made by one or two Council members.

Job Order Contracting: Seeking information on this agendized item, I went to the Town Manager for an explanation of what “Job Order Contracting” is. The Manger directed me to the Public Work’s Department. Troy Odell did an excellent job of explaining how Job Order Contracting works. I received clarification and information and presented it to the Council at the regularly convened meeting. I **did not** ask why local contractors could not have preference and I **never said** that I didn’t agree with the process. **To state “that I showed information to all the contractors” is a serious and an untrue allegation because Mr. Odell did not give me any information.** Furthermore, I have never contacted any of the bidders relating to this matter. In fact I only know one contractor in town and he is a long time personal friend outside my position as a Council Person. If local contractors were present at the Council meeting, that is their prerogative. This item was a properly agendized topic and after discussion the Council voted unanimously to include all contractors who submitted RFP”s. There was no interference with the process; in fact the process stayed the same. This was a Council decision.

Although I agree that the Manager is responsible for the day-to-day administrative responsibilities, the council is responsible for setting policy and providing direction to the Manager. **The decisions relating to the library and the job order contracting were made by the Council at duly convened meetings and were properly agendized.**

Library: The bids for the library had been opened and publicized. Bids become public upon opening when it involves public funds. The contractors are allowed to be at the bid opening. **The statement**

on page 9 of the report says "Councilmember German recalls asking the Clerk to see copies of all the bids for the Library project. She gave them to her. They were all too high." is untrue. I inquired about the library bids at the Public Works Department and only received the list of the seven bidders and their bid amounts. This was the same list that was provided to the seven bidders. At no time did I review or ask to review the bid packets, and the bid packets were not released to me. Additionally, I did not share any information nor did I have any information to share with any bidders. This is a very serious accusation, therefore I request this accusation be agendized and aired in public.

At no time did I give direction to staff. This was only an inquiry as allowed by Town Code and Council policy. *Section 3-2-E of the Town Code states: "The Council and its members shall deal with the administrative services of the Town only through the Town Manager, except for the purpose of inquiry and neither the Council nor any member thereof shall give orders or instructions to any subordinates of the Town Manager."* Also page 34 of Council Policies and Procedures Section 15.5B states: "Questions of Town Staff and/or requests for additional background information should be directed through the Town Manager, Town Clerk or Department Heads or the Department Heads designee."

My inquiry did not delay or alter the bid process. When the bids were returned, the item was agendized and the Council determined that all bids were too high. It was decided unanimously by the Council to re-bid using new bid criteria. The library project has continued to move forward. The Manager and the Council have been working to arrange financing while the bid process proceeds. The Council's actions to ensure a fiscally responsible decision did not unduly delay the library project, and is part of their responsibility to provide direction to the Manager.

Residency Requirement: This was an agendized item and it only concerned the waiver. The waiver was denied twice and it was other Council Members who were "upset" with the majority vote of the Council. Again, there is not, nor has there ever been a "vendetta" against the Marshal. The "vendetta" seems to be from the Marshal and her assistant toward two Council members. Sadly, the Town Manager and Department Head could have addressed these issues more objectively to avoid such turmoil. There are currently allegations that Ms. Martin has made statements to other employees that she is "going to take out Jackie Baker and Carol German". **These allegations are currently under investigation by an outside agency.**

Complaints About Staff: (Page 16) Russ Martin's "concern that Councilmember Carol has tried to investigate complaints against Town staff" is not true. I have not tried to investigate complaints against Town staff. I retain respect for Town Staff and have only made inquiries for information about properly agendized items and about citizen concerns.

V. CONCLUSIONS (Beginning on page 29 of Executive Summary)

B-BULLET POINT 4 AND 5 (PAGE 31) I object to both of these statements. I did not influence Town staff in the awarding of contracts, the selection of contractors, take up hours of staff time,

disseminate information among contractors, or delay the process concerning the Library. These statements are not only unsubstantiated but also untrue. **All of these things are Council decisions as explained earlier.**

G. ALLEGATION THAT COUNCILOR GERMAN FALSELY ACCUSED THE TOWN MARSHAL (EMPLOYEE) OF VIOLATING TOWN CODE AND WANTING HER CRIMINALLY CITED AND DISCIPLINED IN A TOWN COUNCIL MEETING, WHICH IS ALLEGED TO VIOLATE TOWN COUNCIL POLICIES, RULES AND PROCEDURES 15.5(D)

This allegation **should not be sustained even partially. There is not a clear implication** as stated in the report. The meeting on October 2, 2013 was to discuss a waiver for the Marshal to live at a home that she had purchased in another county. It had nothing to do with the fact that she was supposedly renting a place just outside the town limits while looking for a home to purchase in Camp Verde. At this meeting, Council was not informed that the Marshal had already moved out of the County and had done so at the end of August, 2013. It was at the October 16th meeting that the Manager confirmed that Marshal Gardner had moved, and it was the Town Attorney that said to seek a waiver after the move was a violation of the Town Code. The Manager took responsibility for allowing the Marshal to move before bringing it to Council. I never said that the Marshal had violated Town Code and wanted her criminally cited and disciplined. This inaccurate statement is inflammatory and unsubstantiated rather than on the approved Council Minutes. **The Council Body reviewed the minutes and approved them as a factual representation of the meeting.**

The accusation by Marshal Gardner on page 21 where she says that I said *"We should get with the Town Attorney in Executive Session, because she is violating the laws and ordinances she is supposed to be enforcing. This is punishable by jail time and a fine of \$2500.00"* is totally untrue and unsubstantiated. It was at the December 3rd, 2013 meeting regarding the revision of the Residency Town Code that Council Member Robin Whatley asked what penalties were associated with Town Codes. The Town Manager asked the Town Clerk to read what the penalties could be. This was where the "jail time and a fine of \$2500" was explained by the Clerk. This is substantiated in the Video/Audio of the December 3rd, 2014 meeting. Additionally, the remainder of this statement is false as is supported by Council Minutes and recordings.

The allegations and the criticisms stated in this report are not supported by the evidence as verified in the recordings and minutes of all Council approved actions.

Although I have responded to some of the perceived and unsubstantiated concerns in this report, the fact that I have not responded to other criticisms does not indicate that I agree or accept them.

mistake. Had we known of the interaction of Councilor German and staff regarding this issue before the meeting, I may have stayed with staff recommendations.

Council directed staff to bid the library building. This process is strictly regulated by state statute. Council people have every right to ask about the process but cannot interfere with it. There are some very minor things that are allowed by law to favor local contractors in some bidding processes. However, they are insignificant and of little advantage if the bids are not close. Council is not qualified nor is allowed to alter the bid process once it has been selected and begun.

At the bid opening the contractors name is provided along with the base bid and any alternates. A winner is not announced nor are the bid packets considered public record. These bid packets are taken back to engineering where they are checked for accuracy and completeness, bonds are verified etc. Engineering prepares a summary sheet of the bids and the winning bid when confirmed. This may take a few days. If councilor German already had the information she wanted why was she in engineering asking for more information? Why did engineering feel the need to have the manager call Bill Simms? Because she was asking to see information that was not yet public information. The rules of procurement are ridged, Council cannot change the outcome nor do they need to see the details until after the contract has been awarded by council. Who wins the bid is selected by the process, it is selected by the rules. Staff cannot alter the outcome of the selection anymore than the council can. Once the council has awarded the contract the details of the bids become public record and may be reviewed by council and the public. State statutes govern. The contractors, the public and the State must be assured that the process is fair and unbiased.

Council has no responsibility for staff relations. Human resources is the area solely for the manager. If a citizen requests information on an employee, it is to be directed to the manager, period, no exceptions no 'verifying' or 'just checking'. The request by councilor German, for information on three employees that included personnel files background check, etc. was not directed to the manager but was requested directly from the Clerk. The Clerk notified the manager and he contacted councilor German. He talked to her and she withdrew her request. This was an egregious violation of the council-manager relationship. Even though the information was not obtained (although obtained later by someone else in the public) the damage to employee moral was done. The employees felt **targeted** by a council member and Staff wondered who will be targeted next. This request for information is what ignited the complaint that was signed by 11 employees.

As you will hear (or have heard) there is no recognition of operating outside the council-manager relation by councilor German. Even when two attorneys and a manager from a nearby town concur with the majority of council that she has. If we cannot modify behavior we can mitigate its impact.

Proposal for correction:

I would like the council to direct staff to modify the **council policies, rules and procedures** to be more explicit on what behaviors are allowed and not allowed by council, incorporating suggestions from the attorneys. This will include a more specific process for dealing with violations.

Require all council members to attend a course in the council-manager form of government. This has been recommended by our attorney Bill Sims and he has offered to do this for free. (The council should invite the manager to include department heads to attend). This is just a suggestion as the manager makes decisions on personnel matters.

As for a Human resources director, I think the manager is doing a great job. I don't see why anyone would not feel comfortable approaching him with any question and not feel they are being treated fairly. That being said, public perception might be an issue. If the town thinks it warranted and is willing to pay for a part-time HR director, I have no objection.

When it comes to contracts, it should be councils policy to prohibit council access to any information about any contract between the time the contract goes out to bid until after it has been accepted by council. This will let engineering do its job and assure the public and State that there is no favoritism in the process. Any and all questions by council, before and after that time period is encouraged.

Although enforcement action is warranted, this is the first official time that the problem has been addressed. With the update of the **council policies, rules and procedures** it would be more appropriate at a later date when future violations occur.

arbor day tree planting
x-mas parade

Mayor German's Statement
12-19-2014
original

December 17, 2014 Mayor German's statement.

Council, tonight we have the responsibility as elected officials to determine whether the Administrative Report should bring with it any disciplinary action/s against any of council including myself as Mayor. We have all received e-mails and documents over the past weeks and months, which in my view contain multiple issues. It has become increasingly clear to me that what has exacerbated this whole ordeal was when Council members were apparently no longer receiving information which should have been copied to them. That has been restored.

Tonight, I want to extend an olive branch to each of my colleagues on Council asking each of you to join with me in getting back to doing the business of the Town. We have had our manager inundated with requests for information, answering questions and literally sidetracked from effectively managing the newer and very important issues confronting our Town. I would like to move this issue forward with the recommendation that no discipline action be taken against any member of council. I cannot speak to the intent of any actions taken by members of council. I do believe there is a lack of clear concise understanding of the Manager/Council form of government and council

member's role within that form of governance. There is also an absence of a requirement of ongoing training within our policies and procedures. Do I believe our issues to be serious? Absolutely, but they should not paralyze us from doing what is necessary by getting us back on track of making policy and giving direction to our manager. We have many exciting projects and proposals coming before council which could have many positive economic impacts upon our community and opportunities for jobs to occur. We are in process of working with our U.S. Congressional representatives relating to control of flooding issues impacting our residents. There are sensitive negotiations in process and our continued public embroilment which has eaten away so much time, energy and resources only places those negotiations in jeopardy by our display of a lack of political stability.

The good news: I know we can fix this beginning with the acceptance of the Executive Report for what it has rendered in the way of recommendations. It is obvious we need training, none is called for in our policies and procedures; we need to bring clarity to our policies and procedures, code of conduct/ethics with the assistance of our attorney, the League of Cities and Towns and other professional organizations involved with city and town managers in the

Manager/Council form of Government. Additionally, we need ongoing training about the Mayor/Council / Manager form of Government and each council member's role in that. Currently that is not provided for in our policies and procedures and especially after an election occurs and there are new council members being seated. This training is essential to continuing the effectiveness of all future councils.

I would also like to move forward by council taking action in directing staff to prepare implementation of the recommendations beginning with the following: bringing to council for review and approval of policy manuals by the clerk's office and the Marshal's office. In addition, it would be my recommendation that Council also direct our Manager to set up a retreat as soon as practical with our Town Attorney who has offered training for our council at no cost, related to the Manager/ Council form of government.

Lastly, I would like to request the members of the public to take a step back and allow council and the manager to address these issues and consider the concerns which have been received from within your various communications with Council.