MINUTES
SPECIAL/WORK SESSION
MAYOR AND COUNCIL
COUNCIL CHAMBERS · 473 S. Main Street, Room #106
WEDNESDAY, AUGUST 27, 2014 at 5:30 P.M.

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

1. **Call to Order**
Mayor German called the meeting to order at 5:30 pm.

2. **Roll Call**
Mayor German, Vice Mayor Baker, Councilors Whatley, George, Gordon, Jones and German.

Also Present:
Town Manager Russ Martin, Finance Director Mike Showers, Director of Public Works Ron Long, Public Works Analyst Debra Raney, Town Clerk Administrative Assistant Barbie Bridge, Recording Secretary Marie Moore.

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

4. **Discussion, consideration, and possible approval of a Water Infrastructure Finance Authority (WIFA) grant application, up to a maximum of $35,000 for planning and design assistance of wastewater collection improvements along SR 260 and authorizing a match of 40% of the grant amount (approximately $14,000 if the full amount is awarded). This is an unbudgeted item.** Staff Resource:

On a Motion by Vice Mayor Baker, seconded by George, council unanimously approves a WIFA grant application, up to a maximum of $35,000 for planning and design assistance of wastewater collection improvements along SR 260 and authorizing a match of $6,308.00, an amended match amount of the grant.

Director of Public Works Ron Long informed Council that due to the work and effort of staff, the required monetary amount needed for a match of this grant was reduced from $14,000.00 to $6,308.00. Long gave a brief background for the necessity of the WIFA grant, explaining that the funds will be used to complete a necessary study regarding sewer crossings on the SR 260 corridor.

Councilor Gordon inquired where the necessary money for the match amount will come from, as this is an unbudgeted item. Town Manager, Russ Martin, indicated that there are currently grants with in the budget that have not yet been awarded but could be a viable source of funding and stated that ultimately this is a storm water issue and if nowhere else, the funding could be used from the general fund. Councilor Gordon indicated that this time is of the essence in this matter with a decision necessary before the SR 260 project is completed. Ron Long agreed with this statement indicating the difficulty of following through with the study if this were approved next budget year and after SR 260 improvements were complete.

Mayor German questioned the connection between this matter and the sewer district. Martin explained that ultimately this study will determine where the sewer would go and the completion of the survey will help when determining areas for economic development in the Town.

Councilor German asked when the Town would be notified if the WIFA grant is awarded. Public Works Analyst, Debra Raney, indicated that notice would be given by the first part of October and funds would be available by the first part of November.

Public Input:
None

5. **Update on and possible ratification of Staff's approval of the amendments to the architect's contract for the new library construction.** Staff Resource: Mike Showers

On a motion by George, seconded by Gordon, Council unanimously approves the ratification of Staff's approval of the amendments to the architect's contract for the new library construction.

Town Manager Martin explains to Council that the information provided is the base amount and what is being sent to move forward with new construction.

Architect, Joel Westervelt, explained to Council that there have been specification requirements removed which include the LEED requirements as well as some revisions to plan features and footing details.

Public Input:

Tom Pitts questioned the effect these revisions would have on the time frame for the construction of the Library. Town Manager, Russ Martin, explained that information would be discussed in the next agenda item.

6. **Discussion, consideration, and possible direction to staff relative to financing options for the new library and the possible scope of work that will go out to bid.** Staff Resource: Russ Martin

Council directs staff to pursue Option 2 and utilize Option B of the STIFEL report presented and requested a final agreement be brought back to Council for approval on September 17, 2014.

Architect Joel Westervelt reported to Council the changes made to the plans regarding construction costs. Westervelt passed around a piece of pre-weathered bonderized finished metal siding as an option to replace the original acid finish specification on the siding. Additionally, options including material board, concrete color, and wood finishes are being evaluated for consideration of replacement to the acid wash. Westervelt explained he felt the acid wash is still a viable option but due to the concerns that were raised by through public input, other options are currently being evaluated. The bonderized finished material option is approximately $18,000.00 more than the original acid wash siding.
Westervelt indicated that although the LEED certification aspect was removed from the plans, the integrity of the building and efficiency of equipment will remain. Currently substitutions for building components are being considered as well. Westervelt stated that rumor was heard there were contractors who shied away from the project due to the complexity and cost of the LEED component and his hopes are to receive more bids now that the LEED Certification has been removed. Westervelt estimated to Council there is a potential of $400,000 to $700,000 in savings from the changes made in the plans. It was also explained that the detailed changes will be outlined for previous bidders to help assist them in the bidding process.

Town Manager, Russ Martin, indicated by mid-September Council can expect to see a completed and revised drawing for review and with the approval from the Town Engineer, Ron Long, the project will be open for bidding by the start of October. Martin also mentioned a prebuild meeting that will occur and to expect final bids to be received by mid-November.

Mayor German indicated he was pleased to hear that contractors would have knowledge of the changes that occurred to assist them in the bidding process.

Councilor Gordon thanked members of the audience who attended meetings and assisted in the participation of cost reductions for the plans.

Westervelt informed Council that up to a $20,000 savings could be expected from APS incentives due to the solar power installation and Kathy Hellman is currently researching a grant to be utilized for broadband internet installation.

Town Manager, Russ Martin, began the discussion of financing options regarding the new plans, explaining that when the final bids are received, the Town needs to have the finances available at that time. Martin proceeded in discussion regarding potential options for consideration by Council which included the possibility of refinancing the remaining balance owed on the Marshal's Office.

Martin indicated that there were originally 15 banks contacted and 5 bids were returned. A STIFEL handout was distributed which is attached and becomes a permanent part of the record. Martin presented the bid options and explained the opportunity to refinance the Marshal's Office with the same pay off date but less of an interest rate. Martin did indicate that the bond currently owed on the Marshal's Office cannot be paid off early, and the soonest date would be around this time of next year.

Council discussed the options presented within the STIFEL handout with the terms, conditions and commitments. Martin explained to Council that he felt the Library could be completed in its entirety without the Council imposing a food tax on Camp Verde residents. Martin also listed out the cash value of assets the Town owns that could be put toward the cost of the Library.

Councilor German requested clarification regarding the amount of the loan which is contingent on the Marshal's office refinancing and asked if an amount is chosen from the options presented, are they required to get all of it.
Martin stated yes and any remaining funds would be used for other essential items. German voiced her agreement that interest rates appear to be at a low and doesn't feel they will get a better rate. German also clarified that the cash value assets would be used toward landscaping, etc… in the construction costs.

Martin clarified for Council that he expects the total amount for completion will be $4 million dollars.

Councilor George thanked Finance Direct Mike Showers for the effort put toward the refinancing option of the Marshal's Office.

Councilor Jones indicated her approval of the entire process and the fact that there won't be a need for a food tax to complete the construction. Jones voiced her excitement in moving forward with the matter.

Public Input:

BJ Davis inquired if the reduction of the landscape and solar costs were included in the estimated $400,000-$700,000 projected savings. Martin indicated that those were additional savings not included in that estimated figure. Davis requested a clearer breakdown of the savings that was stated. Westervelt discussed lumber savings, removal of mats, exterior panels, custom railings, landscape, demolition and side work. Davis asked how much of the savings was from the removal of the LEED Certification and Westervelt estimated approximately 60% of projected savings. Davis stated he was pleased to hear there would be a general list of changes included in the new bidding packet and asked if there would be specifics of the changes included because he felt details were important for contractors. Westervelt indicated that specifics would not be included due to the size of the specs and their intentions of drawing in new contractors now that the LEED Certification was removed. Davis inquired if Building/Code Enforcement Official, Robert Foreman been involved regarding the exit of the building. Westervelt stated that there are currently meetings in process. Davis also inquired if Joel would be submitting the plans for the necessary permits while waiting for the return of bids. Martin stated that it is the intention to have the bidding documents permit approved prior to sending them for the bidding process.

Roger Doering stated he felt the Town was on the right track for funding and inquired to Westervelt if it was possible to change the facades on the building. Westervelt explained the facades were a part of the design to capture the essence of the region and without them the design would be changed. Doering requested a

monetary figure that will impact citizens per capita, Councilor Gordon stated it would be $280.00 per person based upon the $3 million figure.

Tom Pitts stated the Verde Valley Regional Economic Division is currently working with Verde Valley broadband to receive a grant for installation and per a current study in effect, it does indicate there is a demand for broadband. Pitts questioned if the numbers indicated on the STIFEL handout were the final lending amounts. Martin explained that 45 days was requested for review and there would be a conference next week for a final number and document.

7. **Adjournment**

On a motion by Mayor German, seconded by Gordon, council adjourned at 7:12 pm.

Charles German

Charles German, Mayor

Virginia Jones for Marie Moore

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 August 27, 2014. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 23 day of September, 2014.

Deborah Barber

Debbie Barber, Town Clerk