

**(corrected) REGULAR SESSION  
MAYOR AND COUNCIL  
COUNCIL CHAMBERS · 473 S. Main Street, Room #106  
WEDNESDAY, FEBRUARY 20, 2013 at 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**  
Mayor Burnside called the meeting to order at 6:30 p.m.
  
2. **Roll Call**  
Mayor Burnside, Vice Mayor Kovacovich, and Councilors Baker, George, German, Jones, and Whatley were present.  
  
**Also Present**  
Town Manager Martin, Detectives Freeman and Grover, Marshal Gardner, Finance Director Showers, and Town Clerk Barber
  
3. **Pledge of Allegiance**  
Detective Freeman 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) February 6, 2013 – Regular Session
    - 2) January 30, 2013 – Work Session
  - b) **Set Next Meeting, Date and Time:**
    - 1) February 27, 2013 at 6:30 p.m. – Council Hears Planning & Zoning Matters-Cancelled
    - 2) March 1, 2013 at 9:00 a.m. – Work Session
    - 3) March 6, 2013 at 6:30 p.m. – Regular Session
    - 4) March 20, 2013 at 6:30 p.m. – Regular Session
    - 5) March 27, 2013 at 5:30 p.m. – Work Session PARA Study (Planning Assistance for Rural Areas) for Circle K tri-intersection
    - 6) March 27, 2013 at 6:30 p.m. – Council Hears Planning & Zoning Matters
  - c) **Possible approval of recommendations to move the monies in the LGIP-HURF (#91826) account into the LGIP-General account (#91825) and subsequently close the LGIP-HURF account.** Staff Resource: Mike Showers
  - d) **Possible approval of Resolution 2013-880, a resolution of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona establishing the Mayor and Council Salary Amount and superseding Resolution 2002-511. The Mayor's salary is set at \$350 per month and the Council Salary is set at \$250 per month beginning July 1, 2013.** Staff Resource: Russ Martin
  - e) **Possible award of contract to Centennial Contractors Enterprises, Inc. (Mohave JOC #9D-CENT-0902) for the renovation of Heritage Swimming Pool and authorizing the Mayor to execute the contract in the amount of \$95,400.70 to resurface the pool.** Staff Resource: Ron Long
  - f) **Possible approval of the budget calendar for FY 2013-14.** Staff Resource: Mike Showers

On a motion by Kovacovich, seconded by Baker, the Council voted unanimously to approve the Consent Agenda as presented, excluding the February 6 minutes and Item E

On a motion by German, seconded by Baker, the Council voted unanimously to approve Items 4A.1 and E.

Whatley expressed concern with the way in which the minutes reflected the motion on Item #9 (Chamber request for funding on Oasis property.) After some discussion, Council determined that the motion accurately reflected the discussion and it was suggested that Whatley clarify her opposition in these minutes. Whatley advised that she voted no because she preferred to support the Manager's recommendation of \$7,500 to clear any questions about the Oasis property.

Regarding Item E, Burnside was concerned with a discrepancy with dates and verbiage in the contract relative to familiarity with laws, liquidated damages, and the alternate options. Martin advised that staff would add the liquidated damages, make sure the time for completion was acceptable and correct the typos. He further advised that there was \$94,000 budgeted for the pool resurfacing and appurtenances. He explained that due to extensive changes in ADA requirements over the years, the bid would cover only the resurfacing and ADA improvements, noting that the appurtenances would be budgeted in a future CIP budget.

#### 5. **Special Announcements & Presentations**

- Possible approval of a proclamation proclaiming support for the "Prescription Drug Abuse Reduction Initiative." Staff Resource: Marshal Gardner
- Welcome to New Businesses: Copperstate Wall Systems, LLC – Peoria, Anasazi Creations Jewelry – Camp Verde, Red Rock Masonry, Inc. – Cornville, Verde Valley Tile, LLC – Cornville, Ledic Management Group LLC – Memphis, TN, Tim Petefish & Sons Construction – Camp Verde, Granite Creek Vineyards, LLC – Chino Valley, Special Event, Javelina Leap Winery – Cornville, Special Event, Page Springs Cellars – Cornville, Special Event, Oak Creek Vineyard & Winery – Cornville, Special Event, Kokopelli Winery – Chandler, Special Event, Fire Mountain Winery, LLC – Cottonwood, Special Event, Carlson Creek Vineyard, LLC – Willcox, Special Event, Caduceus Cellars, LLC – Jerome, Special Event, Burning Tree Cellars, LLC – Cottonwood, Special Event, Bittercreek Winery – Mesa, Special Event, Arizona Stronghold Vineyards – Cottonwood, Special Event, Alcantara, LLC – Cottonwood, Special Event, Gallifant Cellars – Peoria, Special Event, Damage Control Builders, LLC – Mesa, Burden Electric, LLC – Globe

Mayor Burnside banged his gavel proclaiming support for the Prescription Drug Abuse Reduction Initiative, and then welcomed the new businesses.

#### 6. **Council Informational Reports.**

Whatley expressed kudos to the Goettings for the success of the Pecan & Wine Festival, noting that it was well attended and that even a bus arrived. She said the weather was beautiful. She also attended the Chili Cook-Off at the school, noting that it was a great fundraising event.

German also volunteered at the Pecan & Wine Festival and the Educational Foundation Chili Cook-Off. She said that both were nice events.

George provided a slide show of the Chili Cook-Off and reported that they had raised \$981.00 and expected next year to be even better.

Kovacovich advised that this was the first time in 10 years that he had come to a Council meeting in a snow storm.

Baker reported that she also volunteered at the Pecan & Wine Festival. She expressed her appreciation for the event and what it brings to our community.

Burnside reported that he attended the Verde River Basin Partnership meeting at which Ann Kirkpatrick presented a nice briefing. He also advised that he would be serving on a panel in Phoenix tomorrow where they would be discussion how to bring in more money.

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

Barbara Goetting reported that the Pecan & Wine Festival went extremely well. She said that the weather was gorgeous, and she thanked everyone who helped, noting there were great volunteers, including the Marshal's Office and Fire Department. She said that it went smoothly and there was a great turnout. She reported that they checked with local business who also said they did well, noting that the motels in Town were sold out. She said that they hoped that the event was profitable for the Town.

Steve Goetting reported that there were people from out of state that attended the event and indicated that they would like to buy a home in Camp Verde. He referred them to local realtors. He also reported that the Chamber of Commerce Board sponsored a dinner with Ann Kirkpatrick and had discussed many items of concern, including business incubators and raising interest in the Clear Creek Ruins. He advised that the Ruins could bring as many as 15,000 visitors through Town and the Chamber looked forward to collaborating with others in the community to get this proposal off the ground.

There was no other public input.

**8. Discussion, consideration, and possible appointment of a member to the Board of Adjustments and Appeals. The term expires in January 2016. The applicant for the position is former Council Member Alan Buchanan. Staff Resource: Debbie Barber**

On a motion by German, seconded by Baker, the Council voted unanimously to appoint Alan Buchanan to the Board of Adjustments and Appeals for the term expiring in January 2016.

Barber reported there was on opening on the BOA and there was one qualified applicant for Council consideration.

**9. Update by Michael Mandell from Marathon Consulting Group regarding Highway 260 projects. Staff Resource Russ Martin**

Council took no action on this item.

Martin advised that Mr. Mandell was unable to make the meeting and asked that this item be postponed.

**10. Presentation, followed by discussion, consideration, and possible acceptance of the FY11-12 Audit. Staff Resource: Mike Showers**

On a motion by Jones, seconded by Baker, the Council voted unanimously to accept the Town of Camp Verde Annual Financial Report for June 30, 2012 and the Town of Camp Verde Report on Internal Control for June 30, 2012.

Scott Graff with Colby & Powell presented the audit for the period ending 6-30-12, drawing attention to the financial statements in the audit. He explained that the auditors' responsibility is to state their opinions on the financial statements to obtain a reasonable assurance that they were free from material misstatements. He said that they look for misstatements related to material errors or fraud and it is their responsibility to report such misstatements. He advised that the Town received a clean opinion and he congratulated the Town. Graff recommended that Council read the Management's Discussion and Analysis that addresses the Town's financial condition.

Graff praised the Town's ability to recover well from the turnover and changes that occurred over the past three years. He said that he was surprised how well things have turned around in such a short time, noting that there is good staff in place. He pointed out that they had to do very few, if any, journal entries, which is

almost unheard of. He said that Camp Verde is one of the few communities that have accomplished this.

In answer to Council questions, Graff reported that there were no deficiencies and explained the audit process. He explained that before beginning an audit, they perform a risk analysis through reviewing policies and procedures and minutes. Once the risk areas are identified, they test those areas for deficiencies, noting that many tests were done and no problems were found.

Martin reported that though the cash fund was down \$200,000 due to capital outlay, it was important to note on that we spent \$100,000 less than what was budgeted. He advised that our operations are running very well, noting savings in most departments including the library saving \$50,000 and the Marshal's Office over \$100,000. He advised that the financial statement shows exactly how the funds are spent, making our operations very transparent. He encouraged the Council to take pride in accomplishing the services that they have provided, while maintaining a sound financial foundation.

**11. Presentation and possible discussion of the report and update on the activities of the Verde Valley Archaeology Center.**

Council took no action on this item.

President James Graceffa reviewed the report in the packet and advised that the Center is striving to reach the curative standards for museums. He spoke to proposed building improvements that would enhance services. Graceffa advised that in the first 8 weeks, 1,325 visitors had signed their log. He spoke to the Docent Program that takes visitors to sites, noting that the Archaeology Center ranks 3<sup>rd</sup> among travel destinations, following the Casino and Out of Africa. He said that the Center has collaborated with Canyon Records to bring Grammy-Award winning artists in to perform in June, July, and August. Other planned activities include Hoop Dancers. He also advised that they were working closely with Economic Development Director Steve Ayres to develop a Heritage Program. He said that the Center often receives calls from out-of-towners who make Camp Verde their base camp to visit other Verde Valley sites and they feel good about helping the Town. Graceffa expressed appreciation on behalf of the Town for all that has been done to make their efforts a success.

Council members expressed their appreciation for the Archaeology Center's contribution to the Town.

**12. Discussion, consideration, and possible authorization for the Town to enter into a 5 year Lease/Purchase agreement with US Bank for the purchase of patrol and other department vehicles and equipment up to a total amount of \$770,000.00. Staff Resource: Mike Showers, Nancy Gardner, Ron Long, Russ Martin**

On a motion by Whatley, seconded by German, the Council voted unanimously to authorize staff to enter into a Lease/Purchase Agreement with US Bank for the purchase of equipment as listed in the attached document up to a total amount of \$770,000.00.

Martin asked Council not to be shocked by the amount requested. He explained that individual departmental operations cost more than this over a 5-year period and that this year alone, there is \$40,000 budgeted for vehicle maintenance. He advised that the payments would be around \$160,000 per year with a 1.16% interest rate. He explained that this is not a typical lease/purchase agreement that an individual would get with per mile charges, but rather, it is a purchase agreement. At the end of the 5 years, the vehicles would be the Town's or they could be traded. He also advised that if Council approves the transaction, staff plans to piggyback off another community's bids.

Detectives Freeman and Grover, representing AZCOPS, explained to Council that their agreement with the Town requires that no vehicle can have over 100,000 miles and that several of our police vehicles exceed that amount. Marshal Gardner explained her request for Tahoes as opposed to Crown Vics, noting that the life expectancy of the engine is greater and that a Tahoe is more powerful and will be something in which

the staff and citizens can take pride.

In answer to Council questions, Gardner and Martin explained that the existing vehicles would be auctioned or repurposed within other departments. Council thanked Gardner and Martin for bringing this option to their attention.

13. **Discussion, consideration, and possible direction to staff relative to updates and requested action(s) concerning proposed legislation that affects the Town.** Staff Resource: Russ Martin  
 Martin explained that this item would be on the Council agenda every two weeks until the legislative session ends. He noted that there were several bills of concern, such as the changes in the construction sales tax so that taxes are charged at the point of sale and changes in the tax laws that will do away with the option of self-collection. Council discussed these items at length. Martin explained that the Town has a policy wherein the proceeds from the construction sales tax are funneled into capital outlay and debt service. He asked Council to contact Representatives Fann and Tobin because there is a good chance that the Town will stand to lose \$150,000 annually if the law is passed.

Martin asked Council to let him know if there is anything that they would like to put on the agenda for discussion during the legislative session.

14. **Discussion, consideration, and possible direction to staff to include the Verde Valley Land Preservation Institute on the Council Committee Assignment List, and possible approval of membership fee up to \$100.00.**  
 On a motion by Jones, seconded by George, the Council voted unanimously to add the Verde Valley Land Preservation Institute to the Council Committee List, appointing Carol German to serve with Bruce George as alternate and to appropriate the \$100 membership fee.

German explained that she was approached by the VVLPI as to why Camp Verde did not have a representative on the Board. She advised that she had asked Bob Rothrock to attend and explain about the group's efforts. She also volunteered to serve on the VVLPI Board if Council approved the addition.

Walter Miller, a VVLPI Board member for several years, advised that he has seen other communities represented and wondered why Camp Verde did not have a Council representative. He explained that the Board does good work in terms of why we live here and advised that one of their accomplishments was overlay maps to use in the planning process. He advised that the group has received grants to repair property that provides river access and they work with homeowners to eliminate river contaminants and invasive species. .

VVLPI President Bob Rothrock said that our area is blessed with scenic beauty and cultural resources that must be preserved. He said that the group was working with Cottonwood on their General Plan revision and volunteered to help Camp Verde with our updates. He explained that they were working with artists to create a "River Runs through Us" campaign to raise funds to preserve the river. The organization was formed in 2004 in order to plan, create, and implement an open space plan for the Verde Valley.

Councilor George advised that he was a member of the organization, but was not a Board Member, and he would like to volunteer to serve as an alternate.

15. **Call to the Public for items not on the agenda.**  
 There was no public input.

16. **Manager/Staff Report**  
 Martin reminded Council of the Open House planned tomorrow night at 5:30 p.m. in Rooms 206-207 to provide information and answer questions about the dissolution of the Sanitary District and assuming

trusteeship.

17. **Adjournment**

On a motion by German, seconded by Baker, the meeting was adjourned at 8:15 p.m.

  
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Bob Burnside, Mayor 3-13-13

  
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Deborah Barber, Town Clerk

**CERTIFICATION**

I hereby certify that the foregoing Minutes are a true and accurate accounting of the actions of the Mayor and Common Council of the Town of Camp Verde during the Regular Session of the Town Council of Camp Verde, Arizona, held on the February 20, 2013. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 13 day of March, 2013.

  
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Deborah Barber, Town Clerk