4a.1

MINUTES
REGULAR SESSION
MAYOR AND COUNCIL
COUNCIL CHAMBERS
WEDNESDAY, SEPTEMBER 1, 2010
6:30 P.M.

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

1. **Call to Order**
The meeting was called to order at 6:30 p.m.

2. **Roll Call**
Mayor Burnside, Vice Mayor Kovacovich, Councilors Whatley, Garrison, Baker, Roulette, and German were present.

Also Present: Town Manager Russ Martin, Public Works Director Ron Long, Special Projects Administrator Matt Morris, Town Clerk Debbie Barber, and Recording Secretary Margaret.

3. **Pledge of Allegiance**
The Pledge was led by Kovacovich.

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) Regular Session – August 18, 2010
      2) Special Session – August 18, 2010
      3) Executive Session – August 18, 2010 (recorded)
   b) **Set Next Meeting, Date and Time:**
      1) September 15, 2010 at 6:30 p.m. – Regular Session
      2) September 22, 2010 at 6:30 p.m. – Council Hears Planning & Zoning Matters
      3) October 6, 2010 at 6:30 p.m. – Regular Session
      4) October 20, 2010 at 6:30 p.m. – Regular Session
      5) October 27, 2010 at 6:30 p.m. – Council Hears Planning & Zoning Matters
   c) **Possible approval of an Intergovernmental Agreement with Camp Verde Unified School District for the Town's use of the triangle parking lot and pedestrian trail located between the District Administration Office and Butler Park and authorization for the Manager to include a letter that outlines the new immigration law requirements to be attached to said agreement.** Staff Resource: Ron Long

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

5. **Special Announcements & Presentations**
   - **Approval of the Proclamation declaring September 11th as "A Day to Remember", and memorializing those men, women, and children who lost their lives by the unprovoked attacks of September 11, 2001 upon America by foreign terrorists and that thrust the United States and other countries into a war it never envisioned either militarily or diplomatically.** Staff Resource: Debbie Barber
   - **Presentation of a Certificate of Appreciation to Toni Jenkins for her assistance in the Spanish translation of the voter information for the Town's new website. Mrs. Jenkins provided the service to the Town at no charge.** Staff Resource: Debbie Barber

Mayor Burnside presented for approval the Proclamation declaring September 11th as "A Day to Remember", which Town Clerk Barber then read aloud into the record for all to appreciate.

Burnside then expressed the Town's gratitude for the contribution Toni Jenkins had made by assisting in the Spanish translation of the voter information for the new website, and in her absence presented the Certificate of Appreciation to her husband, Acting Community Development Director Mike Jenkins.

6. **Council Informational Reports.**
German reported on her attendance at the Chamber of Commerce Board meeting on Thursday, August 19, 2010. The local businesses are contributing funds toward the upcoming Meet-and-Greet event featuring the new Town Manager and his family. There will be a luncheon hosted by the Casino for Destination Drivers on August 31st; with a round table discussion on how to attract more businesses and related events into Camp Verde. Also, all event promoters are requested to submit event information to the PR Director for the Casino, preferably six months in advance, to be included in his promotions to be published statewide and nationwide. A Sustainable Agriculture business meeting will be held on August 23rd at Camp Verde campus of Yavapai College. Celeste Gordon will be the new Ranger at the Verde Ranger Station. On December 11th the Fort will be hosting a Victorian Christmas event, as well as Tom Sawyer Day. German thanked the newspaper for the editorial on the new website, with kudos to Matt Morris and all the staff who worked on the project.

Roulette also thanked Morris for the work on the new website.

Baker said she attended the Verde River Basin Partnership meeting on Monday as an interested citizen. She suggested that it would be helpful for the Council looking forward to have an update on water issues and water planning, perhaps jointly from WAC and the VRBP in a 10-minute presentation; if that is agreeable with Council she will try to arrange it.

Garrison noted the various events scheduled in memory of September 11th and requested that everyone spread the information to all the community to participate in the events.

Burnside reported on his meeting with Lynn Reddell at the Prescott National Forest pertaining to Copper Canyon Trailhead; after a few minor details to be worked out, it may be possible to send out a Request for Proposal soon, keeping in mind that the government works slowly.

7. **Call to the Public for Items not on the Agenda.**
(Comments from the following individuals are summarized.)
Howard Parrish shared the history of Dan Bird's son who was born in Camp Verde and who grew into young man ready to begin a successful career with his first day on the job falling that fateful day of September 11, 2001.

Linda German announced the upcoming Book Sale for the Library, as well as her own personal experiences of losing family and friends in connection with September 11, 2001.

Irene Peoble said that on Saturday, September 4th there will be a Car Wash at Basha's, as well as a raffle, to help support and raise funds for the 3-Day Breast Cancer Walk.

There was no further public input.

8. **Discussion, consideration and possible approval of a special event liquor license for the Verde Valley Mounted Sheriff's Posse for a one-day event to be held on October 23, 2010 at Camp Verde Mercantile, 74 W. Hollamon Street.** Staff Resource: Debbie Barber
On a motion by Garrison, seconded by German, the Council by a 6-0 vote approved a special event liquor license for the Verde Valley Mounted Sheriff's Posse for October 23, 2010 at Camp Verde Mercantile located at 74 W. Hollamon Street; Roulette abstained from the vote based on possible conflict of interest.

Councilor Roulette advised the Council that he would refrain from voting on this issue since he is affiliated with the building, but will remain in the Chambers during the discussion; that was agreed to by consensus.

Town Clerk Barber said that the applicant, Jim Williams, is present to answer any questions in connection with the planned October 23rd event.

Jim Williams explained that the Sheriff's Posse will just handle the beer sales; there will also be a wine tasting and some

concessions. They can handle 50 to 100 people at one time, and it will be from ll:00 a.m. to all day.

The brief discussion included information regarding the parking accommodation.

9. **Discussion, consideration, and possible approval of an agreement between FOUR-D LLC, Information Technology (IT) Consultant, and the Town of Camp Verde to provide IT consulting services.** This is a budgeted item. (Staff Resource: Matt Morris)
On a motion by German, seconded by Roulette, the Council **voted 5-2** to approve and authorize the Mayor to sign a contractual agreement between Four-D LLC as presented by staff for a period of two years; **with Baker and Garrison opposed.**

Special Projects Administrator Matt Morris explained that the proposed agreement is a reestablishment of a contractual agreement with Four-D LLC, the group who have been helping the Town attain its computer infrastructure goals, including uniform upgrading of all employees computers for improved collaboration and efficiency between departments and employees. The ultimate goal will be the purchase and implementation of the new finance system. The proposed agreement is for an hourly rate of $65; the scope of work is defined independently from the agreement. Staff is recommending approval of the agreement for two years, which would lock in the $65/hour rate.

The Council discussion commenced with some concern about the hourly rate, and whether other vendors had been considered. Morris noted that the Town had formerly been charged a yearly flat rate for computer services with no record of time involved; in addition, the scope of work being performed by Four-D now is far beyond that contemplated in the past, and a comparison would be unfair. The Town is in the middle of the computer infrastructure process with Four-D, a company that has the proven technical ability and ability to perform. Councilor Garrison described in detail her personal experience and frustration with unsuccessfully seeking help from 4-D to be able to use her computer to interface with the Town system. Morris assured her that everything would continue to be done to try to correct that particular problem. Councilor Baker also voiced her own disappointment with the services, and deep concern over what the Town has received in services to date for the funds already invested. Morris explained that the approximately $200,000 referenced by Baker was for the purchase of the InCode Financial Software. With input from a representative of 4-D, Morris outlined the work accomplished to date, including the anticipated assistance with implementing the InCode Financial Software, adding that Four-D will continue to provide technical assistance for IT troubleshooting on an as-needed basis.

During further discussion, Town Manager Martin noted that he would be helping to manage the expenses, and from his familiarization with the project and previous reports feels that Four-D needs to move forward and finish what was started. Morris pointed out that staff would only be calling on Four-D for help on issues that may be beyond the capabilities of staff. Burnside commented on checks for $6,000 and $7,000 that he has signed in connection with the project and the new web page. He expressed concern about lack of accountability, not knowing who had requested what and who was involved in the work or repairs, and would like to have an idea of how much more expense will be incurred during the rest of the year in order to avoid any last-minute request for additional funds in the budget. Burnside suggested that Martin will be looking into that. Burnside is also concerned that the former server is still being used and not being paid; perhaps he could be called upon to help at times to save the travel time for Four-D, but compensated at a fair rate. After further discussion, Morris suggested that it would be better to continue to rely primarily on Four-D since they are familiar with the system being implemented. The discussion concluded with a request from Garrison for the Town Manager to look into the former server not being paid.

Councilor German requested item #10:

10. **Discussion, consideration, and possible decision relative to proceeding with an application to the USDA for a low-interest loan, grant, and other possible financial considerations to fund the construction of the library. This discussion and possible approval to proceed (with only the application to USDA) would strategically position the Town of Camp Verde to be able to compete with other communities for those same funds during this cycle.**
On a motion by Burnside, seconded by Whatley, the Council **voted 5-2** to direct staff to proceed with an application to USDA for 1.2 Million Dollars; **with Kovacovich and Garrison opposed.**

Mayor Burnside first requested a consensus on his concerns regarding: (1) The issue was brought before Council on March 21 of this year and it was decided to not move on the application for funding because the Town did not have the capacity to commit to loan payments, and nothing has changed; (2) at the agenda meeting Town Manager Martin requested more time to study the issue; whether or not there is new information, Burnside said the issue is to determine whether to move forward on an application at this time. Finally, is it possible this move could be perceived by the voters as electioneering for public funds since an initiative to pass a tax is on the upcoming ballot.

Councilor German rose to a point of order, strongly objecting to the opening statement as a strategy being used by Burnside; she said that she has requested the agenda, and believes the members deserve the opportunity to let the public discuss the issue. In response to the question of bringing an issue back, Town Clerk Barber confirmed that the Town Code allows a Council member to request an item to be on the agenda, and there is no one with the authority to deny that request pursuant to the existing Code. A lengthy discussion and debate followed on the legality or necessary basis for bringing back an item, and if necessary, at what point would an issue be considered a new item. It was finally noted that the consensus appeared to support addressing the agenda item as presented.

German explained that she had requested the agenda item since some community members have indicated their belief that misinformation had been given previously; the tax initiative has no place whatsoever in the discussion; the only issue is to get correct information about the USDA Rural Development Grant. German said she understands that an application would not commit the Town to any indebtedness; if the Town applies for the loan and it is approved, the Town would still have the choice of whether or not to take the funding. Tied to the loan is the possibility that the Town would be in a position for a grant that would help pay for the loan. Linda Harkness was then invited to address the Council and explain how the USDA program works.

Linda Harkess, President of CCCVL, apologized for what she felt may have been a misleading presentation at the previous meeting in connection with a request to use a portion of the anticipated sales tax increase for funding the library and to approve the application for the loan in anticipation of the funding that would include a grant. Ms. Harness noted that between the funds collected by CCCVL to date and the Mary Lyons fund there is the approximate amount of $600,000; that amount alone could be used to improve or enlarge the existing library whether or not the sales tax increase is passed.

Harkness, together with input from Leonard Gradillas, Community Programs Director with the USDA, outlined the benefits of the Rural Development low-interest program , including the possibility of a portion of the loan becoming eligible for a grant. Throughout the presentation and detailed discussion with Council members, Harkness and Gradillas stressed that if an application for the funding is approved the Town is absolutely not obligated to accept the loan. The only cost to the Town in submitting the application would be the staff time, and the application could be kept open for longer than just the one year. During the discussion, Gradillas confirmed that as part of the loan approval process, it would be necessary for the Town to contact another institution regarding a loan and be denied. The amount of the loan applied for could be revised, either increased or lowered according to the final project decided upon by Council and the Town's ability to repay the amount borrowed.

Concern was expressed at the prospect of possibly paying for the library three times over because of the cost of borrowing the money. In response to a request for his opinion, Town Manager Martin said that it appears that the application is fairly well prepared; he suggested that November will provide a better answer on moving forward. Martin said he would be able to make a better assessment on the issue when more definite figures, including revenues, are available. Martin was also was concerned about how many times the amount could be changed as the situation evolves, without creating an irritation factor for USDA. German reminded the members that the agenda item only involves a decision on whether or not to apply for the loan; should circumstances later allow the Town to accept the loan, then the questions on financing can be addressed at that time. Burnside disagreed; he believes that financing is a crucial issue in even deciding to apply for the loan, and that the Town needs to allow Martin time to calculate how much the Town can afford on ¼ percent of the sales tax. Harkness suggested as one option that the Town could apply for a loan based on the cash funds that CCCVL already has on hand, and then request an increase for the loan amount depending on a decision on the final project. Harkness reiterated that the cash on hand could be used toward improving or enlarging the existing

building.

PUBLIC INPUT
(Comments from the following individuals are summarized.)
Nikki Miller said she understands that if the application for a loan is approved, there is no obligation to spend the money; it would be similar to applying for a line of credit from the bank but does not mean the money must be used.

Mike Jacobson noted that the economic situation now is the time to get a cheaper price for construction; he has a friend in Alaska who sent him a picture of their library that was built for $1.2 million last year. He gave the picture to the Mayor, adding that his friend would be happy to send the Town the drawings for the building at a very minimal cost.

Jim Ash commented on his part in getting the half-cent tax initiative on the ballot. All the proponents of the loan application want to do is get the Town's application on the queue. Once the loan is approved, and the tax is voted in, then the decision can be made to move forward.

Walter Miller said that if the tax is passed it would be nice to be ready to move ahead with the loan; any amount can be requested to begin the process.

Karen Heuman shared her years of working on behalf of the library She said the citizens want the library, we want to get it built in Dorothy's lifetime, and the application will not obligate the Town to anything.

There was no further public input.

The Council continued to discuss the issue of submitting the application at this time, and concern that it will take much longer to decide on the ultimate project and cost; it was again pointed out that timely submission of the application would not necessarily obligate the Town but would establish the Town's priority for possible grant funding. Burnside concluded the discussion with a request for a consensus on the dollar amount to include on the loan application; Burnside suggested using the CCCVL cash on hand figure, doubled, or approximately $1.2 million; an increase in that amount can be requested at a later time. Garrison stated her objection to participating at this time in putting the Town in debt for 40 years; Kovacovich said he prefers to wait until after November before making any decision.

11. **Call to the Public for Items not on the Agenda.**
(Comments from the following individual are summarized.)
Gerry Laurito, Library Director, commented on the Yavapai County Unsung Heroes Award given posthumously to one of the Library's special volunteers who recently had passed away.

There was no further public input.

12. **Advanced Approvals of Town Expenditures.**
There were no advanced approvals.

13. **Manager/Staff Report**
Town Manager Martin said he would be submitting his reports on Mondays, and would welcome suggestions from the members on possible issues or format.

14. **Adjournment**
On a motion by Garrison, seconded by Baker, the meeting was adjourned at 9:00 p.m.

Bob Burnside, Mayor

Margaret Harper, Recording Secretary

CERTIFICATION

I hereby certify that the foregoing Minutes are a true and accurate accounting of the actions of the Mayor and Common Council of the Town of Camp Verde during the Regular Session of the Town Council of Camp Verde, Arizona, held on the 1st day of September 2010. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 20 day of September, 2010.

Deborah A. Barber

Debbie Barber, Town Clerk