

PRESCOTT CITY COUNCIL  
REGULAR/SPECIAL  
COUNCIL MEETING  
PRESCOTT, ARIZONA  
JUNE 27, 2006

A REGULAR/SPECIAL MEETING OF THE PRESCOTT CITY COUNCIL WAS HELD ON TUESDAY, JUNE 27, 2006, in the Prescott Municipal Building, 201 S. Cortez Street, Prescott, Arizona.

Mayor Simmons opened the meeting at 3:00 P.M. and asked Councilman Blair to lead the Pledge of Allegiance.

Mayor Simmons asked City Clerk Elizabeth Burke to call the roll, which was as follows:

Present:

Mayor Simmons

Councilman Blair  
Councilman Lamerson  
Councilman Luzius  
Councilman Roecker  
Councilwoman Suttles

Absent:

Councilman Bell (excused)

SUMMARY OF CURRENT OR RECENT EVENTS

Manager Steve Norwood presented a reminder that it was Rodeo week and the 4<sup>th</sup> of July would be a day for families to enjoy activities at Pioneer Park and the parade would be on Saturday.

Mayor Simmons read the following letter:

*Dear Honorable Mayor and City Council,*

*Just over three years ago, the Mayor and Council set out to find Prescott a new city manager. Not a small task. As you know, resumes were received from tenured managers around the nation. In the stack was a resume of a young man from Texas, who ultimately became your choice.*

*Any time a large organization undergoes a change in leadership, staff can't help but be a little nervous. What kind of changes will this person make, what type of organizational culture will they create, who will stay or who will go, will he have that twangy Texan drawl and can he say July correctly? We all had questions and apprehension but trusted that Council had chosen wisely.*

*You did.*

*As we look back at the past three years, our organization has seen great success. We've built a parking garage, purchased a water ranch, built a new adult center and library, addressed wage and benefit issues, the list goes on. Yes ~ these accomplishments are the sign of a good leader, but there is more to being a great leader than checking projects off a list. Steve's management team has created a "Top Ten" list of why Steve is a great leader:*

*Number 10: Steve has an understanding of the City's long-term vision, and the grasp of how to guide it there.*

*Number 9: Steve is decisive, has the horsepower, knows when to draft conserving effort, and when to pull into the lead.*

*Number 8: He changed the culture as to expectations and willingly recognizes and rewards those employees that are superior producers.*

*Number 7: Steve embraces dedication, customer service and success. He doesn't just talk the talk, he walks the talk.*

*Number 6: He is an effective manager, he knows his starting lineup, and when to bring in a reliever.*

*Number 5: He has an expectation of teamwork. As a result of this expectation, more gets done; it gets done more quickly, and mutual respect and admiration is the result.*

*Number 4: Steve doesn't just assign tasks or monitor performance. He plans for the City's future and motivates his staff to see the same vision so we can all strive to accomplish that vision.*

*Number 3: Steve has a truly honest and sincere approach to dealing with people. He wants to be remembered as the "employees manager" and we believe he lives up to that. Steve puts people first.*

*Number 2: Steve's leadership has improved the organization through employee development, recognizing the potential within the City workforce and encouraging individual growth through continued education*

*And the number 1 reason Steve is an awesome leader: You can't park 500 cars in an explanation.*

*In all seriousness, this letter is intended to let the City Council and the community know just how much department heads, and staff throughout the organization, value Steve. For the spirit, direction and cohesiveness he has brought to this organization, and to show him our appreciation for his style of leadership. He told us from the beginning that he believed we would become a world-class organization – we believe we are.*

*To thank Steve for all he has given the employees and the community, we would like to present him with the “world”. Because of him, we indeed are a world-class organization.*

*Sincerely,*

*The City of Prescott Team*

Mr. Norwood was presented with a world globe from Team 2006 and graciously thanked staff and Council and his family.

## I. PRESENTATIONS

### A. Introduction of New Businesses.

Sam Walchons, Director of Membership and Marketing of the Prescott Chamber of Commerce, introduced the following businesses:

- 1) Olive Garden, Brian Patrick, 3060 Highway 69
- 2) All God’s Children, Theresa Johnsen, 377 N. Montezuma Street
- 3) Residence Inn, Brad Christensen, 3599 Lee Circle
- 4) DayBreak Behavioral Resources, Tom Kenny, 537 N. Sixth Street
- 5) HR Quotes, Rex Reynolds, 9800 E. Catalina Drive

### B. Presentation by Arizona Public Service on Economic Development Strategic Plan entitled “Focus Future II.”

Economic Development Director Jane Bristol explained a Strategic Planning Session identified the need for a new Strategic Plan for economic development for Prescott; most of the goals identified in Focus Future I, prepared in 1998, had been accomplished and it was time to move forward with Focus Future II. An advisory committee would be put together to do this.

Ms. Bristol introduced Sally Odette, from APS who gave a short overview of the process that would take 12-15 months to complete, and then introduced consultant Peggy Fiandaca from Partners for Strategic Action.

Peggy Fiandaca, Partners for Strategic Action, explained she was involved in the Focus Future I process in which each community defined economic development

for their community; there had been tremendous changes locally, regionally and statewide since then and there was more global competition. The process would be a very public process and the end product would be a document that would contain the goals for the next several years. It was important to come up with an action plan that would maintain the quality of life in Prescott and sustain the local economy.

Councilwoman Suttles asked what had been accomplished in Focus Future I and Ms. Bristol responded a regional mall had been sited, more industrial businesses were located at the airport, and various groups doing economic development came together in a cohesive way.

Councilman Blair asked why eight years had passed since Focus Future I and Ms. Bristol replied staff was busy implementing the goals from the plan and it was now time to move to the next level with another plan.

Mayor Simmons asked if the plan was given to prospective business and Ms. Bristol replied it was because they were interested in seeing the city's plan for economic development.

Ms. Fiandaca added it was a tool for companies to look at to see what Prescott's vision was and how they fit into that.

### **C. Report from Second Century Committee of the Friends of the Library.**

Recreation Services Director Jim McCasland commented the library was an important part of the community and the long term needs of the library were important and keeping it downtown was also important; the Friends of the Library were very active and the Second Century Committee was formed to raise funds for the expansion project. They originally set out to raise \$800,000 to remodel and expand the library and when the bids came in substantially higher than expected they gave \$400,000 of the \$800,000 to the city to offset the higher construction costs and set out to raise the \$400,000 again. The lady responsible for moving the library from Gurley Street to the Goodwin Street site was Elisabeth Ruffner.

Elisabeth Ruffner gave a brief history of the library in Prescott and said when the new library opened in the 1970's on Goodwin Street it was expected to be adequate for approximately 50 years; but it was more popular than anticipated and needed to be expanded much sooner than that. She thanked the other members of the committee for their hard work in raising funds.

Debbie McCasland, a member of the Second Century Committee, remarked the committee hoped to raise \$1.2 million but they had exceeded that amount and

raised \$1,228,000.00. They paid for the new roof and furnishings. It was a very successful project and the community had really gotten behind their library.

A citizen addressed the Council, stating she wanted to honor Library Director Toni Kaus and Assistant Director Roger Saft for promoting the library expansion.

**D. Historic Preservation and Stewardship Awards by Prescott Preservation Commission.**

Don Rantz, Chairman of the Prescott Preservation Commission, presented the Commission's annual Historic Preservation and Stewardship Awards for 2006 to the following property owners for their restoration projects:

Jennifer Mechlem at 116 Park Avenue  
Jack Pfister at 214 Park Avenue  
Jan Van Leeuwen at 349 Park Avenue  
Yavapai College Campus – ADOT garage at 1100 E. Sheldon Street  
Thomas and Glenda Howe at 210 North Alarcon Street  
Warren Chen at 312 East Goodwin Street

And stewardship awards to -

Raymond and Mary Wineck at 356 Park Avenue  
Eloise Esser at 620 Country Club Drive  
Jody and Lewis Goldman at 614 Glendale Avenue  
Wayne and Patsy McAlpin at 616 Country Club Drive  
PUSD for Washington Elementary School at 300 East Gurley Street and Lincoln Elementary School at 201 Park Avenue for the stewardship of their properties. – Kevin Kapp, Joan Fleming, Sylvia Neely (researcher) received the award. (Lincoln School will be 100 years old in 2009)

The awards were funded by the Yavapai Heritage Foundation.

**E. Acknowledgement of Rob Yarbrough as IAFF's State of Arizona Firefighter of the Year for Community Service.**

JP Vicente, Prescott Firefighter, Local 3066 Chapter, asked Councilman Luzius to read a proclamation recognizing Rob Yarbrough as State of Arizona Firefighter of the Year. Mr. Yarbrough was the first firefighter since 1962 to be recognized from Prescott; Mr. Yarbrough had been with the City for 24 years and would be retiring soon; he had spent over 10 years working in the Muscular Dystrophy Camp as a camp counselor which was an incredible commitment to the community of his personal time outside of work hours.

Mr. Yarbrough thanked Chief Darrell Willis and the staff for allowing him to do the work with the camp and thanked his wife for keeping him focused.

## II. CONSENT AGENDA

Mayor Simmons requested Item J, Resolution No. 3766, be amended to read “in the amount of \$36,545.08 in addition to the City of Prescott’s 25% matching contribution...”.

Councilman Luzius MOVED to ADOPT the Consent Agenda, Items II-A through II-M, as amended, which was SECONDED by Councilman Roecker. The motion passed unanimously with Councilman Bell absent.

- A. Authorize payment to Concert Architectural Interiors for library meeting room furnishings for the Prescott Public Library from Yavapai Prescott Indian Tribe Gaming Compact funds in the amount of \$25,117.24.
- B. Adopt Resolution No. 3762 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona accepting a grant from the Arizona State Library, Archives and Public Records Office, of 2006 Library Services and Technology Act (LSTA) Funds, for the “Promoting Prescott’s Community Living Room” Program.
- C. Award contract for provision of periodical subscription services to EVA Subscription Services in the amount of \$10,679.61 per year for three years, with the option to renew for two additional one-year extensions.
- D. Adopt Resolution No. 3763 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, authorizing the City of Prescott to extend lease agreements for additional interim library space with Prescott Gateway Mall and Embry Riddle Aeronautical University for an additional term pending completion of the downtown library expansion, and authorizing the Mayor and staff to take any and all steps necessary to accomplish the above.
- E. Authorize Change Order No. 5.24 to the Haley Construction contract in the amount of \$25,037.00 for book drop construction.
- F. Authorize Change Order No. 5.25 to Haley Construction contract in the amount of \$54,828.00 for sidewalk and pavement repair.
- G. Award bid for one 5,000 lb. capacity pneumatic-tired forklift, per bid specifications, to Reliable Forklift Sales, LLC, in the total amount of \$23,738.76.
- H. Award contract to Prescott Newspapers, Inc., dba as The Daily Courier, in an amount of \$11.07 per column inch for straight copy and \$9.23 per

column inch for paste-up copy, for furnishing legal advertisement for public notification as required by City Charter and/or State Statutes, effective July 1, 2006.

- I. Adopt Resolution No. 3765 - A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, authorizing the City of Prescott to amend Development Agreement No. 2004-263 with Glen Wright and authorizing the Mayor and staff to take any and all steps necessary to accomplish the above.
- J. Adopt Resolution No. 3766 (as amended) – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, authorizing the City of Prescott to enter into a Memorandum of Understanding with the Northern Arizona Council of Governments for the administration of the Voucher Transit Program for the Fiscal Year 2007 and authorizing the Mayor and staff to take any and all steps necessary to accomplish the above.
- K. Approve a Special Use Permit for a roof-mounted commercial telecommunications site (T-Mobile/Voice Stream) at Embry Riddle Aeronautical University.
- L. Adopt Ordinance No. 4544 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, disclaiming any interest in a portion of that certain property described in the Prescott Heights 2<sup>nd</sup> Subdivision described as parcel number 116-17-248, and authorizing the Mayor and staff to take any and all steps necessary to accomplish the above.
- M. Approve Minutes of the June 4, 2006, Prescott City Council Special Meeting, the June 6, 2006 Prescott City Council Study Session/Special Meeting; the June 7, 2006 Prescott City Council Special Meeting, and the June 13, 2006 Prescott City Council Regular Meeting.

### III. REGULAR AGENDA

#### A. **Authorize purchase of Liability, Property, Excess Worker Compensation and Crime Insurance Coverage for FY2007.**

Attorney Gary Kidd explained the City went to bid through a broker to find insurance coverage for the city; staff was presenting two options for consideration:

Option 1 – Same coverage and same deductibles as last year for Property/Boiler & Machinery/Inland Marine/Auto Physical Damage, Excess

Workers Compensation, Crime/Dishonesty, and Public Entity Liability (\$500,000 and \$1 million), premium \$402,650.

Option 2 – Same coverage as last year for Property/Boiler & Machinery/Inland Marine/Auto Physical Damage, Excess Workers Compensation, Crime/Dishonesty, with changes to the Public Entity Liability with lower deductibles (\$250,000 and \$500,000), premium \$458,523.

Staff recommended Option 2, with contracts as follows:

Property	
Travelers Indemnity	\$104,264
Crime (Theft & Dishonesty)	
Hartford fire Ins. Co.	4,360
Excess Workers Comp & Employer Liability	
Midwest Employers	64,683
General Liability	
Everest National/American Alternative	285,216

A representative from March USA explained the process began in February and appreciated all the information from Risk Manager Juliette Kellerhals regarding claims and other statistics.

Councilman Luzius MOVED to APPROVE the purchase of the insurance coverage contracts for fiscal year 2006-2007 set forth in Option #2 at a total cost of \$461,623.00 and authorize the Mayor and staff to execute all necessary documents, which was SECONDED by Councilman Blair. The motion passed unanimously with Councilman Bell absent.

**B. Public Hearing on the Final Budget for Fiscal Year Ending June 30, 2007.**

Budget/Finance Director Mark Woodfill explained today was the public hearing for the FY07 budget; establishment of the expenditure limitation and the tax levy for FY2007. The final budget totaled \$187,724,529 which was the same amount adopted in the tentative budget, although some projects had been moved within the budget, such as the design of the downtown fire station in the amount of \$350,000; the design of the training center in the amount of \$250,000 and the refurbishment of Fire Station No. 1 in the amount of \$150,000 had been moved from the Public Safety Sales Tax Special Revenue Fund to the Governmental Capital Improvement Special Revenue Fund. The final budget total was the same. The personnel budget showed 565-1/4 city positions.

Councilman Lamerson clarified that Council was not voting on line items, but was capping the budget and each item would come to Council later and Mr. Woodfill

explained items costing over \$20,000 would come to Council and Council was adopting the entire budget.

Manager Steve Norwood further explained there were items in the budget, such as the arsenic facility, that might not be constructed, but the money needed to be in the budget if it did go forward; and items would come to Council and Council could discuss them and express their opinions.

Councilman Blair asked to see year end figures if not all the money budgeted was spent.

Mr. Woodfill replied the annual audit would take place over the next three months; the ending amount of expenditures was \$96,298,000, and \$183,000,000 had been budgeted.

Manager Steve Norwood added there were several capital projects that didn't get done.

Dave Maurer, CEO of the Chamber of Commerce, commented the Chamber followed the budget closely and no red flags went up during the year. He thanked the Council for their leadership in establishing reasonable priorities; the economy was doing well now but that might not always be the case; he appreciated being able to make his comments.

Councilman Roecker MOVED to CLOSE the public hearing, which was SECONDED by Councilman Lamerson. The motion passed unanimously with Councilman Bell absent.

#### IV. **ADJOURNMENT** of Voting Meeting

There being no further business to come before the Prescott City Council, Mayor Simmons ADJOURNED the meeting at 4:20 P.M.

## **SPECIAL MEETING**

### I. Call to Order.

Mayor Simmons called the meeting to order at 4:20 P.M.

- II. **Adoption of Resolution No. 3764** – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, finally determining and adopting estimates of proposed expenditures for the Fiscal Year 2007, and declaring that the same shall constitute the budget for the City of Prescott for said fiscal year and establishing the expenditure limitation and adopting the capital improvements program for fiscal years 2008 through 2012.

Budget/Finance Director Mark Woodfill explained Resolution No. 3764 would adopt the final budget; would establish the expenditure limitation; and adopt the capital improvements program for FY08-12; the tax levy would be set at the Council Meeting on July 11.

Councilman Roecker MOVED to ADOPT Resolution No. 3764, which was SECONDED by Councilman Lamerson. The motion passed unanimously with Councilman Bell absent.

**III. Adjournment of Special Meeting**

There being no further business to come before the Prescott City Council, Mayor Simmons ADJOURNED the Special Meeting at 4:21 P.M.

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ROWLE P. SIMMONS, Mayor

ATTEST:

\_\_\_\_\_  
ELIZABETH A. BURKE, City Clerk

**CERTIFICATION**

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Voting/Special Meeting of the City Council of the City of Prescott, Arizona held on the 27th day of June, 2006. I further certify the meeting was duly called and held and that a quorum was present.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2006.

AFFIX  
CITY SEAL

\_\_\_\_\_  
ELIZABETH A. BURKE, City Clerk