PRESCOTT CITY COUNCIL
REGULAR COUNCIL MEETING
PRESCOTT, ARIZONA
APRIL 10, 2007

A REGULAR MEETING OF THE PRESCOTT CITY COUNCIL WAS HELD ON TUESDAY, APRIL 10, 2007, in the Prescott Municipal Building, 201 S. Cortez Street, Prescott, Arizona.

Mayor Pro Tem Lamerson opened the meeting at 3:00 P.M. and led the Pledge of Allegiance.

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

Present:	Absent:
Mayor Pro Tem Lamerson	Mayor Simmons (excused)
Councilman Blair	Councilman Bell (excused)
Councilman Luzius	Councilman Roecker (excused)
Councilwoman Suttles	

SUMMARY OF CURRENT OR RECENT EVENTS

Note: City Manager Norwood, Mayor Simmons and Councilman Roecker were absent due to a trip to proposed Sister City, Suchitoto, El Salvador.

Deputy Manager Laurie Hadley reminded everyone beginning April 15 the time of day watering restriction limits would be put on the hours for watering grass and landscaping and would only be allowed between the hours of 8:00 P.M. and 8:00 A.M. Drip irrigation was allowed for one more week.

Also the Egg-Stravaganza was very successful on Saturday on the Courthouse Plaza with over 600 children participating.

Ms. Hadley thanked the Prescott Public Library for hosting a luncheon for their volunteers today and 138 attended along with three Councilmembers.

Mayor Pro Tem Lamerson commented Councilman Bell wanted to attend today's meeting being the Marine that he was, but called and said he was too tired following his quadruple by-pass surgery last week, but he was doing well and was in good shape.

I. PROCLAMATIONS

A. April 8 – 14, 2007 – National Public Safety Telecommunications Week

Mayor Pro Tem Lamerson read the proclamation and presented it to Prescott Communications Center Director Paul Laipple and five dispatchers.

One of the dispatchers thanked everyone for their patience and time; the dispatchers cared about everyone in the community and would do everything they could to help residents and they appreciated being recognized.

Director Laipple invited everyone to their Open House from 3:30 to 6:00 p.m. and to take a tour of the facility that was managed by the City of Prescott and served several agencies including Central Yavapai Fire District, Prescott Valley Police Department, the Williamson Valley Fire District, Groom Creek Fire District, Yavapai College, and the Prescott Police and Fire Departments.

B. April 9 – 15, 2007 – Prescott Questers Week

Councilman Luzius read the proclamation and presented it to representatives of the four Questers chapters in Prescott --- Granite Mountain Chapter 1250, President Diane Kelly; Mile High Treasures Chapter 1309, Vice President Lee Ridgeway; Prescott Pines Chapter 1345, President Beverly Wright; Thumb Butte Chapter 1248, President Jack Wilson.

Thumb Butte Chapter President Jack Wilson thanked the Council for the proclamation and added the Arizona State Questers' convention was being held at the Prescott Resort this weekend and the guests would be spending lots of money at the antique shops downtown over the weekend. He said that all of the chapters were trying to raise $24,000 for matching funds for the restoration of the second lobby of Elks Opera House. His chapter was having the Antiques on the Square fundraiser event on June 3. Other fundraisers were also planned by other chapters. Grants from State and International organizations were being sought to help with the effort.

C. April 10, 2007 – Teen Challenge of Prescott Day

Councilwoman Suttles read the proclamation.

Willie Sotomayor thanked the Council for their support and said they were located in New River and served the Prescott area; they had an 86%

success rate with their addiction program and brought hope to the hopeless. He said they provided help to those with drug and/or alcohol addictions and helped get them become productive members of the community and society. They would be having a banquet on April 13 at the Bradshaw Mountain Assembly of God.

D. April 15 – 21, 2007 – National Library Week

Councilman Blair read the proclamation. Library Director Toni Kaus accepted the proclamation and invited everyone to celebrate National Library Week and to come see the newly, expanded library.

It was noted there was a coffee bar at the Library called the Café Libre which was open from 9:00 A.M. to 4:00 P.M. Monday through Friday and 9:00 A.M. to 1:00 P.M. on Saturday and it added an ambience to the library and patrons could enjoy good coffee, pastry and conversation.

II. PRESENTATIONS

A. Presentation by Friends of the Prescott Public Library.

Elisabeth Ruffner, representing the Second Century Committee, introduced Betty Ritter and Kathryn Levigne of the Friends of the Library, who were in attendance. Mrs. Ruffner explained the committee started their work around the time the Carnegie Library turned 100 years old in 2003 and that's where their committee name came from. Mrs. Ruffner read a Letter of Presentation (Exhibit A) for the Council and announced Deborah McCasland would be presenting the Council with invoices and copies of checks that paid for the furnishings and equipment for the library and a new roof.

Deborah McCasland of the Second Century Committee remarked it was a pleasure to serve on the committee. She said the community had been so giving and were still giving; people loved the library and she thought it was the finest in the West and she was proud to be part of the group that helped furnish and refurnish the library. She conveyed the documents to Mayor Pro Tem Lamerson.

Mayor Pro Tem Lamerson asked Council to give the Second Century Committee and the Friends of the Library a standing applause and thanked them for all they had accomplished in making the Prescott Public Library a very special library.

III. CONSENT AGENDA

Councilwoman Suttles MOVED to ADOPT the Consent Agenda, Items III-A through III-F, which was SECONDED by Councilman Blair. The motion passed unanimously with Mayor Simmons, Councilmen Bell and Roecker absent.

A. Approve contract with CDS for **data capture services** at the amounts outlined in the contract.

B. **Goodwin Manor Condominiums**

1. Approve Preliminary Plat of a conversion of an existing eight-unit apartment complex to condominiums (Goodwin Manor Condominiums), location is 1001-1005 East Goodwin and the property is zoned MF-H, multifamily, owner is Donna Mallory, APN 110-02-100A and 110-02-100C. (SP06-013)

2. Approve of Water Service Agreement with Donna Sue Mallory for 2.8 acre feet per year for Goodwin Manor Condominiums. (WA07-014)

C. Approve **cooperative purchasing agreement** with Otto Cart to purchase 588 68-gallon green **residential containers** in the amount of $28,686.06. (Houston-Galveston Area Cooperative)

D. Approve **architectural services contract** with Stroh Rogers Architects for the design, permitting and construction phase services for the **Streets Department Administration building** at the Sundog Ranch Road location, in the amount of $28,000.00.

E. **Adopt Ordinance No. 4586** – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, **abandoning a portion of unused and unimproved right-of-way** referred to as a portion of Downer Trail and Gifford Drive located within the Downer 16 subdivision and authorizing the Mayor and City staff to take all necessary steps to effectuate such abandonment.

F. Approve Minutes of the Regular Voting Meeting of the Prescott City Council Held on March 27, 2007, and the Study Session of the Prescott City Council Held on April 3, 2007.

IV. REGULAR AGENDA

A. Public Hearing on Draft FY2007 CDBG Annual Action Plan.

Grants Administrator Linda Hartmann explained the public comment period for the third Action Plan for CDBG funds would end April 26. The FY07 allocation would be $299,402 and the recommended projects were to continue improvements in the Dexter Neighborhood and were to:

1. Continue the sidewalk improvements in the Merritt Street area that were not done in the 2006 project – in the amount of $119,000
2. Put in street lights @ $4,000 a piece – in the amount of $120,522

3. Administration and planning costs – in the amount of $59,880

Councilman Blair asked if the residents wanted street lights put in that area and Ms. Hartmann said a public meeting would be scheduled and all the residents would be notified. She said they had been very receptive to everything the City had proposed so far.

Councilman Blair asked what CDBG funds could be used for and whether they could be used to buy alternate sewer systems for the North Prescott area which were a health and safety issue and Ms. Hartmann said she would find out.

Councilman Luzius was in favor of the street light project and added the sidewalks were currently being put in on Lincoln Street and any improvements to the area were long overdue.

Councilwoman Suttles asked if all the money was spent each year or if some was carried over to the following year. Ms. Hartmann said Prescott was an Entitlement Community and HUD wanted the money spent each year; the City was given permission to carry over some money because the objectives hadn't been met.

Howard Mechanic, 309 Bloom Place, in reference to Councilman Blair's question regarding the usage of CDBG money in the North Prescott area, said he thought in order to assist a neighborhood the neighborhood had to qualify based on income and Ms. Hartmann responded that was correct, the funds were used for low to moderate income projects.

Councilwoman Suttles MOVED to CLOSE the Public Hearing, which was SECONDED by Councilman Blair. The motion passed unanimously with Mayor Simmons, Councilmen Bell and Roecker absent.

B. Public Hearing and consideration of a liquor license application from Judith Marie Bishop, agent for B & B Diversified Investments, L.L.C., for the Person Transfer of a Series 6, Bar, License for Sundance's Place, located at 114 N. Montezuma Street.

Clerk Elizabeth Burke explained this was a liquor license application from Judith Marie Bishop for the Person Transfer of a Series 6 Bar License for Sundance's Place. The property was posted on March 20 and no comments or protests were received and the applicant was in attendance. Councilman Luzius asked the representative what the B & B stood for in the incorporation name and Bridghid Siobahn Flaherty, 365 N. Chestnut, responded it stood for Bishop and Bishop which was her mothers name and her maiden name.

Councilwoman Suttles MOVED to CLOSE the Public Hearing, which was SECONDED by Councilman Blair. The motion passed unanimously with Mayor Simmons, Councilmen Bell and Roecker absent.

Councilwoman Suttles MOVED to APPROVE liquor license application from Judith Marie Bishop, agent for B & B Diversified Investments, L.L.C., for the Person Transfer of a Series 6, Bar, License for Sundance's Place, located at 114 N. Montezuma Street, which was SECONDED by Councilman Luzius. The motion passed unanimously with Mayor Simmons, Councilmen Bell and Roecker absent.

C. Public Hearing and consideration of a liquor license application from Hector Evaristo Gonzalez, agent for H.D.H.R.L.G. Group, L.L.C., for a new Series 10, Beer and Wine Store, License for Tri J Market and Deli located at 701 E. Gurley Street.

Ms. Burke explained the liquor license application was from Hector Gonzalez for a new, Series 10, Beer and Wine Store license; for Tri J Market and Deli located at 701 E. Gurley Street; the property was posted on March 13 and no protests or comments had been received. The applicant was present today for questions.

Councilman Luzius said he had several questions he would like to ask and asked the applicant to give his name and Mr. Gonzalez responded -- Hector Gonzalez, 4856 N. Sauter Drive East, Prescott Valley.

Councilman Luzius said that an editorial in the Courier stated they thought the Liquor Board must look at the location also and the editors seemed to think Prescott needed to invite someone from the State Liquor Board to visit with Council and look at the locations of La Tienda Market (on E. Gurley Street) and Liquor Barn (on W. Goodwin Street); he wished to extend an invitation to the Liquor Board to come to a Council meeting. The Council denied both of the liquor license applications mentioned and the Liquor Board overturned the Council's recommendation regardless of what the citizens concerns were or the Council's reasons for denial. He also wanted to invite the Governor to attend a meeting as the Liquor Board was her appointed board and they were overstepping their boundaries; they were above reproach and should be brought down a peg or two.

Mayor Pro Tem Lamerson wanted Mr. Gonzalez to understand this was no reflection on him and asked Attorney Kidd if the City had any criteria to consider regarding how many and what types of liquor licenses could be in a geographic area, such criteria as child care and residential neighborhoods. Attorney Kidd responded that the City did not have any regulations other than the establishment had to be located in a properly

zoned location. There were State regulations that could be considered and one of those was the number and type of licenses that were in close proximity to other licenses.

Mayor Pro Tem Lamerson commented he didn't know how many schools, child care, or churches were close to this business and it was difficult to make a decision based on criteria they didn't have.

Councilman Luzius commented the application was incomplete and there were many amended pages with just a signature that were not notarized and the corporation was H.D.H.R.L.G. which didn't mean anything to him. He asked Mr. Gonzalez what the initials meant, and Mr. Gonzalez responded they were his initials, and those of his wife and children.

Mr. Gonzalez continued he was not asking for a new license, the license was being transferred into new ownership and Councilman Luzius said a Series 10 license was not transferable.

Attorney Kidd remarked there had been an existing license at this location for many years, but Mr. Gonzalez had to fill out a new application.

Councilman Luzius continued there were several amended pages in the application and it showed the type of work allowed by the State Liquor Department and acknowledged there was an existing license.

Councilman Luzius went through the application page by page showing the amendments, notarized signatures on the original application that weren't notarized on the amendment pages, the list of churches was not complete as he had counted 13 schools and 15 churches in the one mile radius and between 57-60 liquor dispensing locations; the schematic of the building didn't show the drive-up window that Mr. Gonzalez put in, which because of code restrictions the store could not have due to the property being city right-of-way to within one foot of the building; the list of liquor licenses was incomplete and showed only licenses within one-half mile instead of one mile and a portion of the list was missing; the name of the business in the next block was incorrect on the list. There were many errors in the application and he didn't think it should be acted on as it was incomplete and possibly deceptive and if the Council considered the application as presented they were doing as poor a job as the Liquor Control Board and he had a list of reasons to deny the application if anyone wanted to hear them.

Attorney Gary Kidd pointed out the Council must open and close the public hearing today to allow people to speak.

Councilwoman Suttles remarked Councilman Luzius had done a lot of homework on this application and appreciated that; without the Liquor Board following through it made her wonder how many others had passed without a complete application; it was basically a simple transfer of a license that had been at this location before but the fact was, it was still an incomplete application and she believed Councilman Luzius had made a point and it should be followed up on by Council and the State Liquor Board.

Mr. Gonzalez commented he was at the Council's mercy; there had been an existing license at this location for many years and he had purchased the convenience store with the liquor license in place; if the application was inaccurate it wasn't intentional, it was his responsibility to make sure it was accurate and the recommendation might be to make it a better application; he wasn't trying to deceive anyone.

Mayor Pro Tem Lamerson asked Mr. Gonzalez if he felt comfortable with continuing the public hearing (to another date) and Mayor Pro Tem Lamerson realized Mr. Gonzalez had bought the property with an existing license, however, State law required a new application rather than a transfer.

Mr. Gonzalez commented he was in the process of making improvements to the building and was putting a lot of money into making it look nicer; there wasn't a crosswalk there and traffic went fast through there; they would have beer and wine for sale but no hard liquors and they were not promoting the sale of alcohol; they had other food items, such as ice cream, as well as a deli. The store had been split in half by the previous owner and they were making an area with the packaged food items separate from the deli.

Mr. Gonzalez continued his wife took the liquor management class and they found out at that time their type of liquor license did not permit selling liquor out of the drive-through window so they decided they would sell coffee through the window, but then found out it was public right-of-way. He thought he had come to the meeting to answer questions about the drive-up window and was surprised by the liquor license application problems; he would do whatever was required to make things right.

Mayor Pro Tem Lamerson commented he appreciated the efforts of Mr. Gonzalez in cleaning up the neighborhood but agreed with Councilman Luzius and Councilwoman Suttles that the application seemed inadequate.

Mr. Gonzalez explained he put his name in English instead of Spanish and his legal name was Spanish so the signatures had to be changed.

Mayor Pro Tem Lamerson remarked he was concerned about the number of facilities with children and churches in the area and being a new application, not a transfer, it was an opportunity for the Council to look at the area and application together. He asked Attorney Kidd if Mr. Gonzalez had complied with the rules.

Attorney Kidd responded there were a number of issues involved and the factual finding if Council approved or denied the application had to be based on specific facts, a review of the application and the public hearing. He mentioned the Council could continue the public hearing to a date specific, such as May 8, and there would be sufficient time to do an amended application, re-notice the property for 20 days of the new public hearing date of May 8, 2007 and receive public comments.

Mayor Pro Tem Lamerson commented the Council had sent down recommendations to the Liquor Board and they didn't care what the Council had to say and the Council could use Hector's circumstances to say the State was not looking at applications closely enough or looking at anything and they were not reviewing them properly.

Councilman Blair suggested the appropriate thing to do was to fill out another application and get the map corrected to show the State the Council was looking at these things; he supported the application because the location had a liquor license previously but he didn't support the application he saw on the screen.

Ms. Burke suggested sending down to the State a corrected map with a decision of the Council instead of postponing the application.

Councilmembers were not in favor of that action saying the Liquor Board would approve the application and they wanted to continue the public hearing to give Hector an opportunity to bring to Council an amended application to send down to the State and Ms. Burke clarified the amended application would come from the State.

Councilman Luzius added the City Clerk had taken the time to map out all the liquor licenses in a one-mile area on a large map on display.

Mr. Gonzalez apologized for not having a complete listing of licenses and had used the list from the previous owner and it was his fault he hadn't taken the time to make sure it was accurate.

Councilman Luzius told Mr. Gonzalez it was unfortunate for him that the Council had issues with the State and suggested he prepare another application with no amendments and the City Clerk could prepare a

transcript and send it to the State Liquor Board to let them know how the Council felt and also send a copy of it to the Governor. He said the Liquor Board insulted people who came to speak regarding an application the Board had before them.

Ed Parry, Park Avenue, addressed the Council saying he had followed these things before and thought Council was solving it the way they should and he had concerns as well. Liquor licenses had become a routine item on the agenda and they shouldn't be. The State Board didn't care about local concerns and he supported the Council regarding letting the State know the applications were lacking information; it was unfortunate this person was in the middle.

Mr. Gonzalez asked if anything could be done about the drive-through window, that they wanted to be able to serve coffee and things from the deli and asked if it could be a walk-up window and Councilman Luzius responded nothing could be done; the land was City property and the right-of-way ended about 1-1/2 feet from the building; there was no room for vehicular traffic and if anything happened there the City would be liable.

Attorney Kidd reminded the Council that the drive-up window issue was not on the agenda and should not be discussed.

Councilman Blair MOVED to CONTINUE the Public Hearing to May 8 to get the application in order, which was SECONDED by Councilwoman Suttles. The motion passed unanimously with Mayor Simmons, Councilmen Bell and Roecker absent.

Mayor Pro Tem Lamerson asked if it was understood what Council was asking for and Attorney Kidd replied the applicant was to file an amended application, the application would be processed and sent to the City Clerk who would notice the public hearing for May 8.

Councilman Luzius added the business was currently operating under an interim permit.

Mr. Gonzalez asked if he did all Council asked if they would approve the application. Mayor Pro Tem Lamerson responded he would have eliminated one reason to say no.

D. Award of bid and approval of contract for the Interim Arsenic Water Treatment Project to Layne Christensen, in the estimated annual amount of $1.34 million according to the equipment lease and water treatment pricing submitted.

Public Works Director Craig McConnell explained the item was to award a contract for the interim arsenic water treatment project at the Chino Valley water production facility. The City was required to comply with Federal law as a municipal water provider with compliance to be achieved by December 31, 2007. The recommended contract was for five years with options to terminate it at the end of years three and four if desired. There were two payment components, a fixed guaranteed annual lease price for the equipment ($765,443) and annual operation and maintenance costs which would be based on the amount of water treated and arsenic removed ($574,200). The estimated cost was $1.34 million per year for each of the five years of the contract and staff was recommending the award of the contract to Layne Christensen, Fontana, California.

Councilman Blair expressed concerns about the contract and voting on it without having a full council and spending $6.5 million. He didn't understand Item C in the memo regarding daily penalties. He said that the lease agreement provided for daily penalties between $900 and $4,700 if the water did not comply with the arsenic standards and the company had 72 hours to correct the situation. Layne Christensen said they would pay $500 per day and this was confusing to him.

Mr. McConnell responded the higher penalties were in the City specifications and Layne Christensen's proposal said they would agree to a contract with a penalty of $500 per day and the Council had the option of accepting or rejecting the contract. There were substantial differences in the amounts and time frames of the bidders and proposals received.

Councilman Blair suggested postponing the award of this contract for a week and said he still didn't understand the difference in the amounts and Attorney Gary Kidd clarified these amounts were for liquidated damages and the City included higher amounts than the contractors wanted; Layne Christensen wanted liquidated damages at $500 a day.

Council Blair thought the contract should be a "not to exceed amount", one part of the contract was fixed and the other wasn't based on the amount of water pumped which was a known amount but rather on the amount of water treated; he then asked what the City was buying and if after five years there was to be negotiations for continued service or buying the equipment. Mr. Kidd clarified the City was not buying, but renting, the equipment at a fixed price.

Councilman Blair gave as an example, if he leased a car, after the contract was over he knew what he could buy the car for, and he knew that amount in the beginning and thought it should be spelled out in this case also. He wanted to have a full Council vote on this and asked if delaying this for two weeks would do any harm; that Rick Renzi had said the City wouldn't be fined if they were trying to solve their problem regarding arsenic.

Councilman Luzius agreed with postponing this item and suggested the Council receive a course in Arsenic Abatement 101; no one wanted to spend money that didn't need to be spent and Council members needed to know the reasons why they should proceed or why not.

Mayor Pro Tem Lamerson asked how detrimental it would be to the process if this was delayed until the next voting session and Mr. McConnell responded it could be done. The contract specified 180 days for performance to design, fabricate and install the equipment. The last day the City could enter into a contract would be July 1st., so two weeks was not critical.

Mayor Pro Tem Lamerson also felt this item should be postponed to another meeting day.

Howard Mechanic, 309 Bloom Place, suggested it might be to the City's advantage after five years to buy the equipment and the price should be determined now, like Councilman Blair said, than at the end of the contract in five years and they might ask more than the equipment was worth; also Mayor Simmons had asked about a lease/purchase arrangement.

Mr. McConnell provided a summary of events to date regarding the arsenic levels and treatments, and why the City was bringing a contract for interim treatment for five years instead of a permanent plan. He listed the following events:

- One year ago staff brought a Construction Manager at Risk contract to Council for approving knowing the City only had 18-19 months in which to design, permit, construct and get a permanent arsenic treatment facility into operation.
- At that time Council decided there were some unknowns about arsenic levels and the Big Chino water quality and the possibility that a facility might not be needed.
- With that decision the window closed on having a permanent facility in place by the December 31, 2007 deadline for compliance.
- The term of five years was chosen as an information gathering timeframe and either the consideration of a buy-out value at the end of five years would be made. An economic analysis during that

time would indicate if a centralized facility was the lowest cost of treatment.

- Information would be available during the five years regarding the amount of water and quality of water in the Big Chino Basin and a determination would be made where the wells would be located and the well-head treatments needed.
- It was known well-head treatment wouldn't be the lowest cost way to go. A decision could still be made to have a centralized plant and that decision could come within the five years of interim treatment.
- The bid results offered different treatment processes and amortization. If the equipment was amortized fully in the five years the cost was higher than another bidder who could amortize the equipment over a longer period of time. By Installing equipment that would last longer than five years resulted in the costs being lower.
- At year four the City could approach Layne-Christensen and had two options - to continue with the well-head treatment or to find out how much it would cost to buy the equipment. The City could also go back out to bid to continue interim treatment. The City had the option to terminate the contract in years three and four, and suggested waiting to see what happened with the costs, and see what the quality of the water was from the Big Chino.

Mr. Mechanic remarked it wasn't advantageous to have a lease/purchase agreement at this time and he supported the proposal which was way past due. There wasn't much time left to come into compliance and Council should approve this today. There were no other alternatives in regard to the public health; the Federal standards were not too strict and the deadline was coming up quickly.

Mr. Mechanic asked about the third party study the Council approved regarding a central treatment plant and the process that should be used and if the money budgeted for the centralized treatment plant had been spent or if it would be available in four or five years. Mr. McConnell said there had been no expenditures so far for the analysis of the type of process that should be used; an independent analysis validated a central facility; wells had been drilled on the Big Chino Ranch but the water quality was not known conclusively at this time and they would not contract for a study on the type of treatment process until the water quality information was available.

Mayor Pro Tem Lamerson asked Attorney Kidd if he could second a motion and if there was a split vote if it could come back to the next meeting. Mr. Kidd said Mayor Pro Tem could second a motion and if the vote was 2 and 2 it would fail.

Councilwoman Suttles commented this was discussed last week with a full Council and she urged Councilmen Blair and Luzius to vote yes on it today because the project needed to be moved forward; if the Councilmen had issues they could get with Attorney Kidd and go over them. This should have been done four months ago and the Council had a responsibility to the public.

Councilman Blair said he would vote yes but didn't appreciate an open ended contract and the possibility of getting change orders; the amount of the contract should be a "not to exceed" amount, but he wouldn't delay this and wanted staff to review the issues he had brought up.

Attorney Kidd remarked he would look at the contract and the issues and meet with Mr. McConnell and the issue regarding change orders would be addressed in future contracts.

Councilman Luzius thanked Mr. McConnell for his explanation and the Council knew the arsenic treatment needed to be done; he had voted to spend the $23 million to get it done.

John Zambrano, 2910 West Crestview Drive, remarked the EPA standard was 10 ppb (parts per billion) and the City target level was 8 ppb as a cushion and suggested asking the consultants to provide the City with operating costs for even lower arsenic values, such as 3 or 4 ppb which would be even better for public health.

There was a call for the vote.

Councilman Blair MOVED to AWARD the bid for the Interim Arsenic Water Treatment Project to Layne Christensen, in the estimated annual amount of $1.34 million according to the equipment lease and water treatment pricing submitted; and direct staff to prepare contract documents for signature by the parties substantially in conformance with the bid solicitation, to include the proposals of Layne Christensen pertaining to liquidated damages and water treatment penalties, which was SECONDED by Councilwoman Suttles. The motion passed unanimously with Mayor Simmons, Councilmen Bell and Roecker absent.

E. Adoption of Resolution No. 3811 - A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona providing for obtaining an engineering services proposal on behalf of the Iron Springs Sanitary District.

Public Works Director Craig McConnell explained Resolution No. 3811 would authorize the City to request engineering services on behalf of the Iron Springs Sanitary District. The District had approached the City

several times asking if the City would take over their system and publicly maintain it. The City received wastewater from Kingswood I and IV, Pine Lakes Mobile Home Park, Kingswood Heights, and Wildwood subdivisions. Of the 722 connections, 212 (29%) were connections within the City and 71% were outside the City. Councilmembers mentioned annexation of the areas outside City limits last week and annexation would depend on the interest of the property owners and there were other issues, such as the substandard quality of the streets, to be considered.

Mayor Pro Tem Lamerson clarified today the item was to discuss getting the sanitation system up to City standards and not about annexation.

Mr. McConnell continued the Resolution would authorize the City to solicit Request for Proposals for engineering services to set in motion a process which would assess the system, its shortcomings and deficiencies, what needed to be done to bring it up to City standards, and provide cost estimates. Then, he said, the District Board would look at the proposals and estimates and decide if the project was feasible; if the project were done it would then be brought back to Council to discuss whether the City wanted to accept the system and make it part of the City-wide sanitation system.

Councilman Blair clarified the engineers would assess the system and determine the repairs that needed to be done, they would be done by the District and then the City would accept the system when it was brought up to standards and Mr. McConnell responded “yes”.

Councilwoman Suttles asked if the Council would discuss this again and Attorney Gary Kidd replied the City was assisting the District in securing engineering services through the City’s procurement system; the City would receive the proposals and give them to the District and they would then know what needed to be fixed and hopefully the costs would be such that they could go forward and bring the system up to City standards. The District needed to know what had to be repaired regardless of whether the City eventually accepted the system or not. The City had no obligation to accept the system at the end of the process.

Councilwoman Suttles asked if the City was putting in any money and Mr. Kidd said “no”, but the City could front the money and be reimbursed.

Bill Rodgers, 1790 Royal Oak Circle, District, commented the City received the wastewater from the entire area and received water credits for it and the District wanted the City to take over the system.

Councilman Blair MOVED to ADOPT Resolution No. 3811, which was SECONDED by Councilman Luzius. The motion passed unanimously with Mayor Simmons, Councilmen Bell and Roecker absent.

F. Rezone of 1751 S. Blooming Hills (RZ06-012)

Community Development Director Tom Guice explained this was a rezoning of approximately 1.3 acres from SF-35 to NOB at the southeast corner of Blooming Hills Drive and Rosser Street. The Planning and Zoning Commission reviewed the rezoning request and discussed residential buffers, the zoning and land use of nearby properties, traffic issues and concerns and a potential development agreement and approved the rezoning 5-0.

Paddie Braden, 1755 Pacific Avenue, representing the Cliff Rose Homeowners Association, commented the development agreement had been drafted and agreed to by the developer and the association board members.

1. Public Hearing.

Mayor Pro Tem Lamerson opened the public hearing and asked if there was any public comment. Councilwoman Suttles MOVED to CLOSE the public hearing, which was SECONDED by Councilman Blair. The motion passed unanimously with Mayor Simmons, Councilmen Bell and Roecker absent.

2. Adoption of Ordinance No. 4585 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, amending the zoning of certain property within the City of Prescott located at the southeast corner of Rosser Street and Blooming Hills Drive and described as APN Parcel No. 105-04-203 from SF-35 to Neighborhood-Oriented Business (NOB).

Councilman Luzius asked if the motion should include a reference to the development agreement and Mr. Guice said the agreement was between the developer and the neighborhood, not the City of Prescott.

Councilwoman Suttles MOVED to ADOPT Ordinance No. 4585, which was SECONDED by Councilman Blair. The motion passed unanimously with Mayor Simmons, Councilmen Bell and Roecker absent.

V. ADJOURNMENT

There being no further business to come before the Prescott City Council, Mayor Simmons ADJOURNED the meeting at 5:00 P.M.

_____
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 Special Meeting/Study Session of the City Council of the City of Prescott, Arizona held on the 10th day of April, 2007. I further certify the meeting was duly called and held and that a quorum was present.

Dated this ____ day of _____, 2007.

AFFIX
CITY SEAL

_____
ELIZABETH A. BURKE, City Clerk