

**PRESOTT CITY COUNCIL
STUDY SESSION
PRESCOTT, ARIZONA
APRIL 1, 2008**

A STUDY SESSION OF THE PRESCOTT CITY COUNCIL was held on TUESDAY, APRIL 1, 2008, in the Prescott Municipal Building, located at 201 S. Cortez Street, Prescott, Arizona.

◆ **CALL TO ORDER**

Mayor Wilson called the meeting to order at 3:00 p.m.

◆ **INTRODUCTIONS**

◆ **INVOCATION:** Chris Motto, First Church of Christ Scientist

Mr. Motto gave the invocation.

◆ **PLEDGE OF ALLEGIANCE:** Councilwoman Mary Ann Suttles

Councilwoman Suttles introduced Beth Sharp, a teacher at Prescott Mile High Middle School and the sponsor for the Diversity in Action Club. Ms. Sharp introduced club members Sage, Bianca, Brittney, Karen Ann, Randy, Melissa, Tess, Sam, Nubia, Carley, Jasmine, Muchai, Danielle, and Brianna. Ms. Sharp explained that Diversity in Action is an after school club with three primary goals:

- 1) Help the community at Mile High become more aware of diversity issues and be more tolerant of diversity within their community
- 2) Help the Mile High community be more aware of diversity outside of the school community
- 3) Fundraising project that will specifically address the needs of an age diverse community

Ms. Sharp and the students led the Council and audience in the Pledge of Allegiance.

Tammy Linn said that this group is special to her because she is the parent of a 13 year old at Prescott Mile High Middle School and because she chose to work with them on probably the largest packages drive for the troops in Arizona. Ms. Linn said that last year this school alone gave 350 boxes to the troops and this year their goal is to pack 600 boxes tomorrow. Ms. Linn invited the public to come and see children and adults working together to benefit the troops who help keep their freedom. She then thanked the Council and public for their help. Councilwoman Suttles said it is always a pleasure to have the kids with them not just to lead the Pledge but to get an idea of what it is to be part of a community.

◆ **ROLL CALL:**

Present

Mayor Wilson
Councilman Bell
Councilman Lamerson
Councilwoman Lopas
Councilman Roecker
Councilwoman Suttles

Absent

Councilman Luzius

◆ **SUMMARY OF CURRENT OR RECENT EVENTS**

City Manager Steve Norwood provided a grants updates and said the City will be applying for a bulletproof vest grant in the amount of \$15,000; they received a REDI grant for Economic Development for \$6,000 with no match required and it was the highest in the State out of that pool; they also received a \$5,000 grant for spay and neutering at Animal Control. Mr. Norwood also said that Councilman Bob Luzius is in Tucson attending a conference on transportation.

STUDY SESSION

I. PROCLAMATIONS

A. April 2008 - *Water Awareness Month*

Shaun Rydell, members of the Water Conservation Committee, Councilman Jim Lamerson and Councilwoman Mary Ann Suttles joined Mayor Jack Wilson as he read the Proclamation for Water Awareness Month.

Tim Crews said water conservation is admirable and is extremely instrumental in helping this community and others come into balance with our demands on the aquifer. Mr. Crews expressed gratitude for the hundreds of Prescott citizens who have participated in conservation efforts, which has led to the saving of over 3.6 million gallons a year. He said from the Water Conservation Committee that is working diligently towards advancing water conservation efforts in the City, they would like to thank Prescott and say “keep at it.”

Councilman Lamerson said as Council liaison for the Water Conservation Committee, he thanked the committee and said that they worked very hard. He said the citizens of Prescott need to know that these volunteers

put their money where their mouth is – they spend hours working on water conservation, which at this time in history, is very important because it is not just about their resource, it is about their money.

B. April 2008 – *Fair Housing Month*

Councilman Lamerson said it gave him great pleasure and honor to read the Proclamation for Fair Housing Month. He read the proclamation and presented it to Linda Hartmann. Ms. Hartmann said this is the 40th anniversary of the Fair Housing Law. She said the City of Prescott is partnering with the State of Arizona Attorney General's Office, the Department of Housing and a few other organizations to present a forum on Landlord Tenant Law updates on Friday, April 18, 2008 at 9:00 a.m. in Council Chambers.

C. April 4, 2008 – *Teen Challenge of Prescott Day*

Councilwoman Lora Lopas read the Proclamation for Teen Challenge of Prescott Day. Josh introduced himself and Brett from Teen Challenge and thanked the City of Prescott for supporting and showing their recognition of Teen Challenge. He said they promise to commit to partner with Prescott and the rest of state in the fight against drug addiction. Josh extended an invitation to the Mayor and members of the City Council to attend the Teen Challenge Banquet on April 4.

II. DISCUSSION ITEMS

A. Approval of contract amendment with Prescott Area Arts and Humanities Council.

Jane Bristol, Economic Development Director, said this is an amendment to the City of Prescott Contract with the Prescott Area Arts and Humanities Council. Ms. Bristol explained that during the current fiscal year the City Council allocated \$35,000 from the Bed Tax fund to assist various arts and culture projects within the City and this process is administered by the PAAHC. She said there are two minor changes from the previous contract: 1) a clarification that only non-profit arts and humanities organizations are eligible for the funding; 2) an eligible project could include the creation of an object. She said the receipt and ranking of the applications for the funds as well as a recommendation for funding will be presented to the Council a little later this year.

Deborah Thurston, representing the PAAHC said on April 24, 2008 a five-member group will meet to review applications for the City of Prescott arts grants. Ms. Thurston said three of the members are members of the business community, the fourth one is from the Arizona Commission on the Arts, and the fifth member is David Mauer, who was appointed by the

City. She said once the recommendations are made for the grant awards, they are given to the PAAHC for board approval, and then the PAAHC Board brings them back to the City Council for approval.

- B. Approval of contract with Prescott Frontier Days in the amount of \$30,000.00.

Jane Bristol said this is a contract with the Prescott Frontier Days for the World's Oldest Rodeo this year. Ms. Bristol said that during the budget cycle the City Council allocated \$30,000 from the general fund to the marketing effort this year. City Manager Steve Norwood said the funds are actually from the Bed Tax. Ms. Bristol said the Rodeo is being held June 30 – July 5 and the funds the City contributes are used for out of market advertising in accordance with Exhibit A attached to the proposed contract. She said that by contract, the Prescott Frontier Days will come back to the Council before the end of the calendar year to report on the results of their rodeo.

J.C. Trujillo, General Manager of Prescott Frontier Days, thanked the Mayor and City Council, Jane Bristol, and the staff of City of Prescott for their support and for the great working relationship they have now that the City is their landlord. Mr. Trujillo said the Prescott Frontier Days is doing really well and repeated the dates for the rodeo. He said he can guarantee that they will see one of the best shows in professional rodeo this year. Mr. Trujillo introduced Irene Winters, Secretary, Diane Judge-Cox, Vice President and Dan Schichtel, President.

Councilwoman Suttles said this \$30,000 is from bed tax which makes Councilman Lamerson very happy that it is not general fund money. She said PFD appeared to concentrate on a lot of local advertisement such as Scottsdale papers, Phoenix Magazines, Phoenix radio, Bullhead City, and Kingman indicating economic times have come to the rodeo. Mr. Trujillo agreed, saying PFD tried to target the in-state areas due to the cost of fuel but they still market out of state. He said one of the new things they are doing at the Rodeo is "Back to Back," where the professional rodeo cowboy can come in on one day and be done. Councilwoman Suttles said the Council appreciates what they do and it is one of the best rodeos out there because of what they do.

Councilwoman Lopas said they are working on a master plan now that the City owns the property and they will be working closely with Prescott Frontier Days. She said their goal is not to have just the World's Oldest Rodeo here but the World's Best Rodeo.

Councilman Lamerson said he is a big proponent and supporter of the Rodeo, that they do a great job. He said the Council agreed with all of that to the tune of millions of dollars of investment in the Rodeo when they

stood up and worked the deal with Yavapai County, procuring the rodeo grounds to stay in the City of Prescott, also securing the legal industry in the city. Council Lamerson said the open space people stepped up and supported the Rodeo. He asked if they ever envision a day that the Bed Tax funds they use to market the Rodeo will be freed up to leverage that money for some of the other cultural icons in the community. Mr. Trujillo said he sees some great future in the PFD financially, that there will be some slack someday where they won't need that money. He said that this year, with the sponsorship program being a little down because of the financial situation, they really do need the money but in the future as the Rodeo becomes more of a success PFD will be able to be on their own.

- C. Adoption of Resolution No. 3896-0854 - A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, repealing Resolution Nos. 3439 and 3691 and adopting new fees for the Antelope Hills Golf Course.

Mic Fenech said this is for Council consideration of a golf course user fee price increase and a resolution to allow up to \$1 increase for green fees per year. Mr. Fenech referred to the staff report that indicated the last price increase at Antelope Hills was in August of 2005 and prior to that increase they had two others since 1996: 2002 and 1996.

Mr. Fenech said the five items before the Council are not meant to represent a majority of golf course increases and cost expenditures nor is it intended to represent all of them. The items are to give Council an idea of what has been going on in the golf industry over the last few years. Mr. Fenech said he added a letter from Simplot partners that outlines why the price increases are taking place. He said gasoline/petroleum products have a big impact on everything they do. Mr. Fenech explained in the short time since the agenda item was done gasoline has gone from \$3.06 to \$3.20. He said one of the objectives is to make sure that they mitigate the cost increases by reducing expenditures yet they have to be cognizant of the quality of the product they are putting out in front of the public.

Mr. Fenech said they are asking Council to consider a \$2 increase in user fees for residents both during the week and on the weekend and a \$5 increase for non-residents. He explained that one of the reasons for the larger increase in non-residents is in 2005 when they had a \$3 increase to the resident fees they did not raise the non-resident fees. He said they are also asking for a \$1 increase on carts.

Mr. Fenech said it is important to note that the Golf Advisory Committee, which represents 750 association members - the largest user groups, on three separate actions voted for the green fee increase and cart increase. He said six of the seven members were present and voted unanimously to endorse the fee increase mainly because of the financial viability of the

golf course. Mr. Fenech said as Council knows, last year they did not have a cash flow positive year; this year looks better, but they are still far from covering expenses with income.

In the Fiscal Year 2009 budget, if Council passes the increases, they would hope to be close to a breakeven within about \$3,530, assuming that the rounds hold up, the weather holds up and economic conditions hold up but they feel comfortable that these are reasonable expectations for the golf course.

Mic Fenech said that with regard to the Antelope Hills Player Card, no Council action is required for discounting rates pursuant to the resolution they are currently operating under. He said they felt it was important for Council to be aware of what management is planning at the golf course. Mr. Fenech said the reason they are advocating a player card as opposed to a punch card is because the vast majority of their golfers have indicated it is difficult to for many of them to participate in the punch card because it requires that all money be put up front. Mr. Fenech said at a \$22 rate for a 90 play punch card it would cost \$1980. The Player Card program allows a golfer that is a frequent user to take advantage of the \$22 rate by paying just \$150 up front. Mr. Fenech said in a separate action the Golf Advisory Committee also passed this item unanimously.

Mr. Fenech said under the resolution, they are asking that Council consider allowing management the opportunity to raise the green fees by up to \$1 per year. He said management has no intention of raising fees if not necessary. They do not like to be before Council asking for that, but want to cover expenses. Mr. Fenech referred to the Golf Course Enterprise Fund recap for Fiscal Year 2008 and what is being proposed for Fiscal Year 2009, which take into consideration the increase in fees as well as player card introduction.

Councilwoman Suttles said that looking at increased costs and seeing the small fees that are being increased it does not quite balance out. She asked if this will work out in the long run where they do not spend as much. Mr. Fenech said fertilizer has gone up 65% and they use about 60 tons, so the total expenditure they are expecting at \$620 a ton is in the \$36,000 range. He said it is the same thing with irrigation assemblies having gone up 126% increase. Mr. Fenech explained that last year they went through about 250 irrigation assemblies and this year they are expecting to go through about 150 assemblies. He said costs have gone up dramatically and these increases do not represent all of the expenses.

Mr. Fenech said payroll personnel makes up a large majority, supplies and other services, and thankfully debt service is going down to zero over the course of the next couple of years. He said at that time he will come before City Council to ask how they would like the Golf course to proceed

regarding capital improvements assuming the City is still in the Golf business.

Councilwoman Suttles said she sees that the Golf Course Advisory Committee voted unanimously on the proposal as opposed to previous years where a number of golfers disagreed with rate increases. She asked about the 90 play player's card and Mr. Fenech said based on the new rates it would be \$1980. He said that before their last increase in 2005 the player punch cards were \$15. Mr. Fenech explained the proposed increase at that time created some hard feelings among the frequent use golfers so the manager offered that any of the golfers that would like to purchase multiple punch cards could do that and would be given a three-year window to use them. Some of the golfers are able to purchase multiple cards, some up to 4 – 5 cards, and have been playing since 2002 for \$15.

Mr. Fenech said that was good for them but in order for the City to cover their expenses they cannot continue along that path. A lot more of the golfers have expressed an interest in a discount for a small amount up front. Mr. Fenech said that conversations the management team has had with the Golf Advisory Committee citing other courses like Stoneridge that is doing a similar program led to this proposal for the player cards. He confirmed that the punch cards will be honored.

Councilman Lamerson said he had a fit when he read this. He said all of the various cost increases average a 69.4% increase and yet they are recommending an average 8.6% increase. Councilman Lamerson said that Mr. Fenech did not include that this will be leveraged over 80,000 rounds of golf. He said the additional information of the \$112,000 that will bring up it to just a couple thousand dollars difference is appreciated and he will not ask to keep it off the consent agenda.

Councilman Bob Bell said he keeps hearing from golfers that the course is in excellent shape and they are very complimentary about the greens and the restaurant. He said he knows that in an enterprise fund their mandate is that the operation will pay for itself and that no one wants to take \$404,000 from the general fund to subsidize the golf course. Councilman Bell said he is very much in favor of raising the rates so that it will pay for itself. He asked Mr. Fenech if that is correct and if this will take care of the problem. Mr. Fenech confirmed that is correct and that he will be praying for very good weather because weather has a lot to do with it. Mr. Fenech said from the standpoint of value, which has been an issue with the community, these are off-peak and peak rates for many golf courses in the area and the state and they are rack rates. He said when they compare posted rates to posted rate, Antelope Hills Golf Course offers the best value of all these courses.

Mayor Jack Wilson said he supports the proposal, particularly balancing the budget. He said he also supports delegating the authority to let the management of the course raise these rates without going back to council on small fees.

City Manager Steve Norwood asked Mr. Fenech if they were recommending increasing the rates even more than what they are proposing. Mr. Fenech said no, they are not.

Steve Blair, 1802 Northside, said because he does not get the staff report his question is if they are going to leave it in staff's hands when they can expect the next price increase and if there was a cap on that. He asked how often will they do that and if it was tied to the cost of living index. Mr. Blair said the public needs to know what to expect he is not hearing that sitting in the audience.

Mr. Fenech said their intention is to get through the next fiscal year and to see how they turn out. He said if they arrive at a break even or a \$3500 loss for the year, they will be in the budget process from January through May. If they expect some of their expenses to go up then they will go to the Golf Advisory Committee to consider an increase.

Mr. Blair said this is cheap entertainment and he recommends raising it another \$1 and quit coming back so often. He said it is an enterprise fund and based upon the information in comparison to the other golf courses, they should raise it \$3 to \$4 a round. Then they do not have to come back as often.

Councilman Bob Roecker said once the debt service goes away, then the pressure will diminish some and they can offer a good service without having to raise the rates.

Mr. Norwood said not necessarily, that there is still a \$1,000,000 due to the general fund and once that debt is paid off the general fund will be paid back in its entirety with interest. Mr. Norwood asked Mr. Fenech if they are talking about bringing this back annually with an additional \$1.00. Mr. Fenech answered no, that they are asking Council to give management the authorization to consider and decide with their Golf Advisory Committee whether to raise the rates \$1.00 without bringing it back to Council. Mr. Norwood confirmed if management wants to they can increase the \$1.00 each year and assured him that is what they plan to do as long \$1,000,000 is due the general fund.

Councilman Lamerson said they kind of forgot they owe a million here and a million there and that he tends to go along with what Councilman Roecker said, that maybe they should raise it more; with what Mr. Norwood said, that they ought to raise it all the time and with what

Mayor Wilson said, that is what they have management for. Councilman Lamerson said they are watching Mr. Fenech and that the golf course is a very contentious deal. He said the fact of the matter is they sat there today and told people they have to pay a lot to use water yet they are squabbling about people playing golf. He said he has a real problem with some of this and he is not going to ask that this be kept off of the consent agenda because the people ultimately that are members of this enterprise fund have voted that this is what they choose to do. Councilman Lamerson said to keep in mind, next year when they come back, if they haven't whittled down on the \$1,000,000 deficit that is owed the general fund that is used for police, fire, water, sewer, the whole nine yards, then it may be a different story. Mr. Fenech said he understood.

Councilwoman Suttles said she wants to pull it from the consent agenda. She said she thinks they will get more information from the golfers.

Robert Graybill, 3045 Timberline Road, said he attended the water commission meeting and this meeting and it is not about subsidizing the golf course. He said he has lived here for three years. Mr. Graybill said just between this regime and the last regime, they have blown through \$5,600,000 and they are squabbling about a buck for a round of golf. He said he has looked at the debt and for what the Council is willing to pay Horizon Air, and asked if it wouldn't be better served to take care of the citizens of the community. Mr. Graybill said he does not play golf that often but it is getting to be \$41.00 and that people can golf for \$25.00 at most courses in California. He suggested that it would be better to serve what is already here than giving it away to corporate America.

Councilman Suttles said she thinks there is going to be more information and they can pass this next week.

Robert Reuillard, 936 City Lights, said there seems to be a lot of confusion amongst the members at Antelope Hills as he was talking to some of them this past week regarding the \$1 a year automatic, the punch cards and the players cards. He said he thinks there will be more to come forth from players even over and above the advisory committee. Mr. Reuillard said he agrees with Councilwoman Suttles.

- D. Award of a contract to Technology Construction, LLC, in the amount of \$984,111.00 for Airport Well No. 2 Equipment and Well House Project.

Jim Ciaffoni explained that this is a recovery well as opposed to a production well. He said the significance of that can be seen in the pictorial. He pointed out the corner of Highway 89 and Highway 89A, the Airport, the flight strip and the Antelope Hills Golf Course. Mr. Ciaffoni showed where Airport Well No. 2 will go, where the wastewater treatment plant is, and where the recharge cells are located. He said he points out

the recharge cells because Airport Well No. 2, being a recovery well, is intended to extract the water that is recharged per ADWR guidelines and requirements. Mr. Ciaffoni said they have to establish within a one-mile radius of the recharge basins and that this airport well is about one mile from the recharge cells. He said they currently have a consultant under contract to consider possibility of be able to place recovery wells in excess of one mile, which will take a hydraulic analysis.

Mr. Ciaffoni said Well No. 1 was drilled in 2006, which only produced about 150 gallons per minute, and to a large extent drilling wells is a matter of chance. He said they have come to believe they may be able to increase the capacity of Well #1 through a treatment to increase the permeability of the inside of that well.

Mr. Ciaffoni said regarding Well No. 2 there were six bids received on this project ranging from the low bid of \$984,000 to \$1,400,000; the 2nd and 3rd \$1,100,000 and \$1,120,000. He said this is a very good in the sense that they have enough to consider the bid competitive; the low bidder didn't leave a lot on the table. Mr. Ciaffoni said the engineer's estimate was \$1,070,000 and the contract time will be 150 days and if awarded, they should receive a Notice to Proceed some time in May. He said the work would conclude by August. There is \$1,180,000 budgeted for this project and there is an associated engineering contract that has already been completed for \$190,000 so the summation of the two contracts put them right below the budgeted amount.

Councilman Bob Bell asked Mr. Ciaffoni if he feels the specifications and the contract documents are sufficient so that they can approach this without expecting to see any change orders. Mr. Ciaffoni answered that they do their best to make sure that is the case and he thinks they are very good. Councilman Bell said this Council is getting frustrated and tired of seeing change orders on contracts and that is why he asked the question. Mr. Ciaffoni said they understand that message very clearly from the Council and they will be putting a lot more scrutiny into the quality of those contracts.

Councilwoman Suttles said she sees that one of the bidders expressed concern with the ability and reputation of the low bidder. Mr. Ciaffoni said they checked the references on this contractor and there was one concern raised by another bidder that this particular contractor has had a bad experience with the City of Williams. Mr. Ciaffoni said he talked to the City of Williams, to Bullhead City, Lake Havasu City and to Kingman. He said the last three had very good recommendations. Mr. Ciaffoni said the Williams experience was one that was understandable; there were change orders on that project but every one of the change orders was initiated by the City. He explained the City started out with a very large master planned water treatment plant upgrade and after getting the

contractor on board the City decided to cut it down by a third to half. Meanwhile the engineer on the job went through four different engineers over the course of the job, there were many delays and under the circumstances, he does not think they could find a contractor that has not found themselves in that position. Mr. Ciaffoni said it was entirely understandable to him based on his own experience.

Mayor Wilson asked what the depth of Well No. 1 is and what this is proposed to be on Well No. 2. Mr. Ciaffoni answered that he could not say but agreed to bring that information back to the next Council meeting.

- E. Approval of an agreement on behalf of the Central Yavapai Metropolitan Planning Organization with TransitPlus, Inc. for the Regional Transit Implementation Plan in an amount not to exceed \$96,180.00.

Craig McConnell said this is for preparation of the Regional Transit Implementation Plan. He said, it has been discussed several times, the target for system start up is the Fall of 2009. He said CYMPO members, Prescott, Prescott Valley, and Yavapai County, have expressed an interest in providing services in the initial start up. Mr. McConnell said since these three entities have expressed the interest this implementation plan will be geared toward formulating Phase I start up and Phase II longer term transit implementation plans.

He said the deliverables do include a financial plan and those service options. He said they anticipate the contract work being started this month in April and being completed in October 2008. Mr. McConnell said, as indicated in the staff report, the CYMPO executive board has recommended to the City of Prescott that the City Council enter into this agreement on behalf of CYMPO and reminded Council the City of Prescott and CYMPO have a memorandum of understanding by which the City does purchasing on behalf of CYMPO. He said the majority of funding for this Transit Implementation Plan will be provided through monies which are allocated to CYMPO – Federal Transit Authority monies – for a \$96,000 Transit Implementation Plan; the City of Prescott can expect to pay about 10%, or \$9600.

He said there is substantial community interest in creating this transit plan and it will look at different service options, the City Council will discuss those options in the future, and then decide what option the City should select. He explained the initial costs will be Federal Transit Authority monies but as they go forward and gain more operating expense with system expansion that is when the City and participating entities will have to carefully examine what those costs will be.

Councilman Jim Lamerson said he noticed in the monetary contributions, again it is not as regional as one might hope. He asked if the plan is going

to be inclusive of Central Yavapai County and not necessarily the three jurisdictions that have agreed to participate, Prescott, Prescott Valley and Yavapai County and will it include others. Mr. McConnell answered the focus will be on those that have expressed an interest in the initial start up services and the conceptual connections to Chino Valley and so forth were addressed in the Feasibility Study. He said they will look at the possibility of service expansion but will not spend a lot of time on those not participating.

Councilman Lamerson said since the name is Central Yavapai County not Prescott/Prescott Valley County he thinks they do need to look at some of those areas and how at some point they will come along, just not today. Councilman Bob Bell asked Mr. McConnell if he was present when the CYMPO Board voted to come to the City of Prescott. Mr. McConnell answered yes, he was. Councilman Bell asked if it was a unanimous vote, including Chino Valley. Mr. McConnell answered yes, of those voting it was unanimous but he would have to check the minutes to be sure that everybody voted.

Councilman Bell said since Chino Valley opted out of this, he wondered if they were voting to bring this to Prescott and have them participate in the cost without them doing the same. Mr. McConnell said Councilman Bell is correct and as indicated in the contract Chino Valley is not a participant in the initial startup. He said this particular implementation plan will not be focusing or expending any money on behalf of Chino Valley.

Councilwoman Suttles asked, as mentioned in a previous meeting by Councilman Luzius, if Dewey–Humboldt is going to be part of this also. Mr. McConnell said they will not be participating; the Transit Implementation Plan will not include Dewey–Humboldt in any detail. He said there was some analysis in the study already done. Mr. McConnell said Councilman Luzius' remarks and the subsequent discussion pertained primarily to the membership or non-membership of Dewey-Humboldt in CYMPO. Councilwoman Suttles asked if he is comfortable with all of this and Mr. McConnell answered yes.

- F. Award of bid for the Marina Street Parking Improvement Project, Goodwin Street to Carleton Street, to Fann Contracting, Inc., in the amount of \$114,593.00.

Mark Nietupski said this project would increase parking in this one block segment on this section from 11 to 31 in total, with two identified for handicap use. He said the project was bid in March; they received five bids, and of the two low bids were only \$23 apart. Mr. Nietupski said the low base bid was \$114,593. He said the project as bid includes security provisions with respect to the installation of bollards to preclude a vehicle from entering or ramming the Police Station building. As bid, it also

includes decorative bollards to enhance the appearance of that facility; they have an architectural appearance and some would be lighted. Mr. Nietupski said it is an option the Council can consider and if the Council went with the decorative bollards it would increase the cost of the contract to \$152,626.70. He said will probably take the project about 30 days to be completed pending award of contract.

Councilman Lamerson said that economic conditions were different when they looked at the budget last year. He said they were specific at the plenary session and they told everyone to go to the table to see what planned expenditures could be moved around for different things. Councilman Lamerson said they have had some unplanned expenditures, one was out on Iron Springs Road. He said they have more on Copper Basin Road and they will probably have more unplanned expenditures on Rosser Street and Demerse.

Councilman Lamerson asked Mr. Nietupski if this is a need or if it was something that would be nice to have. He asked if there was some sort of public health or safety issue that requires that they do it this year because they may need the \$150,000 for an overrun or for a road project that does impact public health and safety. Mr. Nietupski said it becomes a level of service question with respect to the provision of access and the provision of service, so if they consider parking a need to provide that level of service then it is a need. He said it may not be a need equivalent to a road reconstruction but it is still a need. Mr. Nietupski said it would be Council's decision whether to go forward. Councilman Lamerson said the community just put up \$6,000,000 for a parking garage that is not full every day, it is a block away, and he thinks people can walk a block. He said he does not see this as a need and is not going to support this.

Mayor Wilson asked Chief Randy Oaks if this was a need. Chief Oaks said their parking situation is well known; they do not have a place for their own employees to park and they do not have a place for their customers, the citizens of Prescott to park. He said there are a number of groups and citizens that use their training room for public meetings and often have nowhere to park. Chief Oaks said the bollards come in because anytime they invite the public to aim their car at a building, especially a high risk public facility, then protection is needed for the benefit of the employees and the public to prevent accidentally or otherwise ramming into the side of the building. He said high profile public buildings are not built without that type of protection.

Mayor Wilson asked for Chief Oaks opinion regarding plain versus the decorative bollards. Chief Oaks answered that his budgetary side said they will live with concrete filled steel pipes because that accomplished the same purpose even though it may not be as pretty, which is his number one objective.

Councilman Lamerson said his employees walk from the parking garage up to his place of business. He said it is a matter of convenience is what he is hearing and he wished he had a million parking spaces out in front of his store, too. He said they are in a budget scenario; if they need to buy vests or dope dogs he can buy into that but to pay \$150,000 for parking spaces when they have a parking garage does not make a lot of sense at this time.

Chief Oaks said this was not a Police Department driven item; this is also for the library and other public facilities on the Marina Street corridor. Councilman Lamerson said he understands that but they can use the parking garage, too.

Councilman Roecker asked how they would finance this. He said they have been upgrading the City Hall with security issues and are there funds available under that program to put in the bollards. Mr. Nietupski said he cannot answer but the cost of the bollards is about \$38,000 more than the base bid. Mayor Wilson said it is a \$125,000 grant. Mr. Steve Norwood added it is Homeland Security. Councilman Roecker suggested using some of that money for the bollards because it is a security issue. Mr. Nietupski agreed that there is a security need if the parking is to be reconfigured. Mr. Norwood said the use of the entire \$125,000 has been identified. Councilman Roecker said if there are some other monies available in the form of grants they should do it.

Councilman Bell said that in looking at the bids there is an advantage to accepting the alternate for the bollards. He said \$27,000 is the advantage and he strongly recommended that they go that route with Asphalt Paving & Supply base bid and the added alternate of \$38,010.

Mayor Wilson asked Director of Park, Recreation & Library, Debbie Horton, for her perspective and recommendation to Council. Debbie Horton said from the perspective of the Library, if they take into consideration the average age of the people using the library this would be a tremendous asset for users of the Library. Councilwoman Lopas said that they do have a high retirees area and walking the two blocks to the parking garage is not feasible. She said when her children were little it is an extra 15 minute process and this will help a broad spectrum of the community downtown have more parking right downtown where they need it.

Councilman Roecker asked Mr. Nietupski if the \$38,010 for the additive alternates is for the decorative bollards. Mr. Nietupski said yes, that is correct. He said they would get the plain bollard for about \$115,000 and the decorative bollards for \$152,000. Councilman Roecker said he thinks that is what they should do.

Councilwoman Suttles said they are going to pull this and they are going to come back to consider the options. Mayor Wilson said there are three options. He said Councilman Lamerson does not want to spend the money this year, Councilman Bell prefers to go with Asphalt Paving and Councilman Roecker prefers to go with Fann Contracting.

Councilwoman Suttles said they bid this at \$150,000 and she agrees with Councilman Lamerson that it is time for the City to pull up. She said they are getting ready to go into budget and they are talking about 20 spaces at \$150,000 plus bollards. She said she does not see going either way and that she would like to see this postponed for when things get better. Councilwoman Suttles said she understands Councilwoman Lopas' comment about getting older or having kids along but they just spent about \$5,000,000 on the new Library. She said with a little bit of help of everybody they will get through this year.

Deb Thurston, 330 S. Alarcon, said she is really disappointed because she cannot use the beautiful new library at night. She said if she drives there is nowhere to park and she is afraid to walk because it is dark, so she is for the decorative bollards. Ms. Thurston said there is a safety issue in that area because it is very dark.

Mr. Norwood said they have brought Debbie Horton and Chief Oaks to speak. He said the way this came about is because a year ago the City received a lot of complaints about city staff vehicles parked there in the parking lot. Mr. Norwood said they have moved a lot of those vehicles to the parking garage and required a lot of employees to park there, but they still have challenges for parking. He said this was an opportunity gain 22 spaces and any time they can gain 22 spaces on the east side of town, they need to do that. Mr. Norwood said this is probably not the highest of priorities. He said the City has made an investment on decorative lighting in front of the Goodwin Street Pharmacy at a greater cost than this. He said to do it first time out was probably cheaper than to come back and try to retrofit this later.

Mr. Norwood said when they look at a \$114,000 project and they get six bids and two of the largest contractors in Yavapai County bid on this when not that long ago they have had to go out to bid three times just to bid on a million dollar job. He said they are taking advantage of local economy because if they wait two or three years they probably will not get any bids and it will probably be two to three times that amount.

Steve Blair, 1802 Northside Drive, said there is a fourth priority and that is to have City staff do the project. He asked if they have checked in house to see what the cost would be. Mr. Blair said the parking spaces are needed at the Library and downtown, but he suggested \$114,000 to

change the markings on the road and put in a few bollards is absolutely bizarre and he would love to have that job.

Mr. Nietupski said the reconfiguration will require removal of a portion of the existing parkway between the curb and the sidewalk and new curb work to provide for those parking spaces. He said it is not simply restriping.

- G. Notice of Public Hearing (April 8) and consideration of a liquor license application from John Nielson, Agent for Prescott Brewing Company, Inc., for a Series 3, Winery, license for Prescott Brewing Company located at 697 6th Street.

City Clerk Elizabeth Burke said there has been a little confusion because the State changed the name of their Number 3 License from microbrewery/winery and the City Code still calls a Number 3 License a winery. She explained that it is required by the State for Microbrewery license for this location which is strictly packaging and storing of the liquor.

- H. Notice of Public Hearing (April 8) and consideration of a liquor license application from Randy Nations, Agent for Lyzzard's LLC, for a Series 6, Bar, license for Lyzzard's Lounge located at 120 North Cortez Street.

Ms. Burke reviewed this application, noting that it was required as a new license because of a change in ownership. She said that the property has been posted and to date no public comments have been received. The public hearing is scheduled for April 8 and the applicant has been requested to attend.

- I. Notice of Public Hearing (April 8) and consideration of a liquor license application from Martha E. Loza, Agent for Casa Del Sol, for a Series 12, Restaurant, license for Casa Del Sol located at 503 Miller Valley Road.

Ms. Burke reviewed this application, noting that it was required as a new license because of a change in ownership. She said that the property has been posted and to date no public comments have been received. The public hearing is scheduled for April 8 and the applicant has been requested to attend.

- J. Approval of the Minutes of the Prescott City Council Regular Voting Meeting of March 11, 2008.

- K. Selection of Items to be placed on the Regular Voting Meeting Agenda of April 8, 2008.

Councilwoman Suttles said Consent Agenda Items include A, B, D, and E. Items for the regular agenda include C, F, G, H, and I.

III. ADJOURNMENT

The Study Session of April 1, 2008 adjourned at 4:27 p.m.

SPECIAL MEETING

- I. Call to order.

Mayor Wilson called the Special Meeting to order at 4:35 p.m.

- II. Recess into Executive Session.

COUNCILMAN BELL MOVED TO RECESS INTO EXECUTIVE SESSION; SECONDED BY COUNCILMAN LAMERSON; PASSED UNANIMOUSLY. The Prescott City Council recessed into Executive Session at 4:35 p.m.

III. **EXECUTIVE SESSION:**

- A. Discussion or consultation for legal advice with the attorney or attorneys of the public body, pursuant to A.R.S. 38-431.03(A)(3).

- 1. Highland Engineering final contract payment for Chino Valley Water Production Facility.
- 2. Big Chino Water Ranch

- IV. Adjournment.

The Prescott City Council reconvened into Open Session at 5:17 p.m. at which time the Special Meeting was adjourned.

JACK D. WILSON, Mayor

ATTEST:

ELIZABETH A. BURKE, City Clerk