



PRESCOTT CITY COUNCIL JOINT STUDY SESSION/ SPECIAL MEETING AGENDA

PRESCOTT CITY COUNCIL
JOINT STUDY SESSION/SPECIAL MEETING
TUESDAY, JULY 15, 2008
3:00 P.M.

Council Chambers
201 S. Cortez Street
Prescott, AZ 86303
(928) 777-1100

The following Agenda will be considered by the Prescott City Council at its Joint Study Session/Special Meeting pursuant to the Prescott City Charter, Article II, Section 13. Notice of this meeting is given pursuant to Arizona Revised Statutes, Section 38-431.02.

- ◆ **CALL TO ORDER**
- ◆ **INTRODUCTIONS**
- ◆ **INVOCATION:** Reverend Julia McKenna Johnson.
- ◆ **PLEDGE OF ALLEGIANCE:** Councilman Bell
- ◆ **ROLL CALL:**

MAYOR AND CITY COUNCIL:

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

- ◆ **SUMMARY OF CURRENT OR RECENT EVENTS**

NOTE: Anyone wishing to speak regarding an item on the agenda must address the Council using the microphone at the podium. **PLEASE NOTE:** Comments from the public regarding any item on the agenda will be limited to five (5) minutes. Please refer to the Clerk's desk for the timing sequence of the lighting signals: **GREEN** at the beginning of comments, **YELLOW** with one minute remaining, and **RED** when time has ended.

THE CITY OF PRESCOTT ENDEAVORS TO MAKE ALL PUBLIC MEETINGS ACCESSIBLE TO PERSONS WITH DISABILITIES. WITH 48 HOURS ADVANCE NOTICE, SPECIAL ASSISTANCE CAN BE PROVIDED FOR SIGHT AND/OR HEARING IMPAIRED PERSONS AT PUBLIC MEETINGS. PLEASE CALL 777-1272 OR 777-1100 (TDD) TO REQUEST AN ACCOMMODATION TO PARTICIPATE IN THIS MEETING.

STUDY SESSION

I. DISCUSSION ITEMS

- A. Authorization of payment to Qwest Communications for the consent judgment in the amount of \$25,809.65.
- B. Approval of Operating System and Database Administrative (OSDBA) support and annual support and licensing agreement for Munis software with Tyler Technologies in the amount of \$37,379.00.
- C. Authorization of purchase of Electrical Distribution Facilities from Arizona Public Service (APS) in the amount of \$28,122.00 for the Airport terminal expansion project.
- D. Award of bid for ACFC-Asphalt Rubber 2009 Overlay Project to Asphalt Paving & Supply in the amount of \$559,917.05.
- E. Award of bid for FY09 Rubber Chip Seal Pavement Preservation Project to Cactus Transport, Inc., in the amount of \$1,014,495.90.
- F. Approval of reconfiguration and enhancement of existing crosswalk on Gurley Street at Summit Avenue.
- G. Request for waiver from Land Development Code Street Design Standards for Cedar Woods Subdivision on Robinson Drive.
- H. Approval of Final Plat of Willow Creek Heights, Lot 13, for 4 lots on approximately 3.1± acres located at 748 SD. Lakeview Drive (APN 106-20-023), Owner is Lloyd Benson, Agent is Jim Wise of Kelly/Wise Engineering, FP06-023.
- I. Adoption of Ordinance No. 4661-0904 - 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 generally located at the northwest corner of Whipple and Jovian from Single-Family 9 (SF-9) to Residential Office (RO) consisting of approximately 0.16 acre.
- J. Notice of Public Hearing (July 22) on Proposed Water and Wastewater Impact Fees.
- K. Consideration of Prescott Alternative Transportation (PAT) proposal for transportation enhancements on Grove Avenue between Gurley and Sheldon.

- L. Approval of the Minutes of the Prescott City Council Regular Voting Meeting of May 27, 2008, the Special Workshop of June 10, 2008, the Special Meeting of June 24, 2008, the Regular Meeting of June 24, 2008 and the Study Session of July 1, 2008.
- M. Selection of items to be placed on the Regular Voting Meeting Agenda of July 22, 2008.

II. ADJOURNMENT

SPECIAL MEETING

1. Call to Order.
2. Adoption of Ordinance No. 4660-0903 - An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, levying upon the assessed valuation of the property within the City of Prescott, subject to taxation, a certain sum upon each one hundred dollars (\$100.00) of valuation sufficient to raise the amount estimated to be required in the annual budget, less the amount estimated to be received from other sources of revenue; providing funds for various bond redemptions for the purpose of paying interest upon bonded indebtedness, and providing funds for the general municipal expenses, all for the fiscal year ending the 30th day of June 2009.
3. Adjournment.

CERTIFICATION OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Prescott City Hall on _____ at _____ .m. in accordance with the statement filed by the Prescott City Council with the City Clerk.

Elizabeth A. Burke, City Clerk

COUNCIL AGENDA MEMO – July 15 & 22 2008
DEPARTMENT: FINANCE
AGENDA ITEM: Payment of consent judgment with Qwest Communications

Approved By:	Date:
Department Head: Mark Woodfill	
City Manager: Steve Norwood <i>SNorwood</i>	<i>07/09/08</i>

BACKGROUND

Qwest Communications sued the Arizona Department of Revenue and all 15 counties in the state. The case was litigated for many years and involved multiple tax years and complex valuation issues with the risk of taxing jurisdictions in the state having to refund more than \$300 million. This case has been settled with the Tax Court entering its consent judgment. The settlement approved by the Attorney General and all fifteen County Boards of Supervisors requires that a statewide \$40 million refund be paid to Qwest. The dollar amount that Yavapai County taxing jurisdictions must refund is \$1,403,643.99.

The City's share of this judgment is \$25,809.65 (\$10,186.26 from the primary levy and \$15,623.39 from the secondary levy).

ITEM

This item is the authorization for the payment of the City's portion of the judgment.

Recommended Action: Authorize the payment of the Qwest Communications Judgment in the amount of \$25,809.65
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I-B

COUNCIL AGENDA MEMO – July 15 & 22 2008
DEPARTMENT: FINANCE
AGENDA ITEM: Annual Support and Licensing Agreement with Tyler Technologies

Approved By:	Date:
Department Head: Mark Woodfill	
City Manager: Steve Norwood <i>Woodfill</i>	<i>07/09/08</i>

BACKGROUND

The City's Payroll and Human Resource System is a Tyler Technologies Munis product. Tyler Technologies provides the operating system and database administrative support (OSDBA) as well as application support and product updates. There is an annual cost for these services of \$37,379.

ITEM

This item is the authorization of the OSDBA support and annual support and licensing agreement for Munis software in the amount of \$37,379.

Recommended Action: Approve the OSDBA support and annual support and licensing agreement for Munis software in the amount of \$37,379
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tyler

TECHNOLOGIES

INVOICE

FY09

Remittance:

Tyler Technologies, Inc. (FEIN 75-2303920)
P.O. Box 678168
Dallas, TX 75267-8168

Questions:

Phone: 207-781-2260
Toll-free: 1-800-772-2260
Email: munis.accounting@tylertech.com
Fax : 207-781-2459 (Accounting Dept)

INVOICE NO.	PAGE
129810	1
INVOICE DATE	
5/23/2008	

SOLD TO

CITY OF PRESCOTT
ATTN: DEBRA BELLINGHAM
201 SOUTH CORTEZ STREET
PRESCOTT, AZ 86302

1-800-520
[Signature]

SHIP TO

PRESCOTT, AZ
ATTN: DEBRA BELLINGHAM
201 SOUTH CORTEZ STREET
PRESCOTT, AZ 86302

QUANTITY	DESCRIPTION	UNIT PRICE	UM	NET PRICE
MUNIS SOFTWARE SUPPORT FOR PERIOD 07/01/08-06/30/09				
1.00	SUPPORT & UPDATE LICENSING - SKELETAL GENERAL LEDGER AND BUDGET PROJECTION	3,969.00	EA	\$ 3,969.00
1.00	SUPPORT & UPDATE LICENSING - APPLICANT TRACKING	1,746.00	EA	\$ 1,746.00
1.00	SUPPORT & UPDATE LICENSING - EMPLOYEE SELF SERVICE	2,481.00	EA	\$ 2,481.00
1.00	SUPPORT & UPDATE LICENSING - HUMAN RESOURCES MANAGEMENT	3,969.00	EA	\$ 3,969.00
1.00	SUPPORT & UPDATE LICENSING - CRYSTAL REPORTS	2,578.00	EA	\$ 2,578.00
1.00	SUPPORT & UPDATE LICENSING - MUNIS OFFICE	1,687.00	EA	\$ 1,687.00
1.00	SUPPORT & UPDATE LICENSING - PAYROLL	6,549.00	EA	\$ 6,549.00
1.00	SUPPORT & UPDATE LICENSING - TIMEKEEPING INTERFACE	1,091.00	EA	\$ 1,091.00
1.00	TYLER FORM PROCESSING SUPPORT	2,205.00	EA	\$ 2,205.00
COMMENTS:		SALE AMOUNT		\$26,275.00
<u>ALL payments</u> must be sent to the remittance address shown above.		SALES TAX		2,193.95
		TOTAL		\$28,468.95

All software provided by MUNIS to the Customer, including the programs and related documentation, are confidential, trade secrets, and the proprietary property of Tyler Technologies, Inc. Any unauthorized use, examination, modification, replication, recompile, transfer, reverse engineering, or disclosure is strictly prohibited.

INVOICE



Remittance:

Tyler Technologies, Inc. (FEIN 75-2303920)
P.O. Box 678168
Dallas, TX 75267-8168

Questions:

Phone: 207-781-2260
Toll-free: 1-800-772-2260
Email: munis.accounting@tylertech.com
Fax : 207-781-2459 (Accounting Dept)

INVOICE NO.	PAGE
129811	1
INVOICE DATE	
5/23/2008	

SOLD TO

CITY OF PRESCOTT
ATTN: DEBRA BELLINGHAM
201 SOUTH CORTEZ STREET
PRESCOTT, AZ 86302

SHIP TO

PRESCOTT, AZ
ATTN: DEBRA BELLINGHAM
201 SOUTH CORTEZ STREET
PRESCOTT, AZ 86302

ORDER NO.	ORDER DATE	PURCHASE ORDER NO.	TERMS	
53670-1.	9904		Due in 30 days	
QUANTITY	DESCRIPTION	UNIT PRICE	UM	NET PRICE
	GUI SUPPORT FOR PERIOD 07/01/08-06/30/09			
1.00	MUNIS GUI SITE LICENSE SUPPORT	2,700.00	EA	\$ 2,700.00
COMMENTS:		SALE AMOUNT	\$2,700.00	
<u>ALL payments</u> must be sent to the remittance address shown above.		SALES TAX	225.45	
		TOTAL	\$2,925.45	

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tyler

TECHNOLOGIES

INVOICE

FY09

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Tyler Technologies, Inc. (FEIN 75-2303920)
P.O. Box 678168
Dallas, TX 75267-8168

Questions:

Phone: 207-781-2260
Toll-free: 1-800-772-2260
Email: munis.accounting@tylertech.com
Fax : 207-781-2459 (Accounting Dept)

INVOICE NO.	PAGE
127459	1
INVOICE DATE	
4/15/2008	

SOLD TO

CITY OF PRESCOTT
ATTN: DEBRA BELLINGHAM
201 SOUTH CORTEZ STREET
PRESCOTT, AZ 86302

1-800-520
DBB

SHIP TO

PRESCOTT, AZ
ATTN: DEBRA BELLINGHAM
201 SOUTH CORTEZ STREET
PRESCOTT, AZ 86302

ORDER NO.	CUSTOMER NO.	PURCHASE ORD NO.	TERMS	
53,785.00-0.00	9904		Due in 30 days	
QUANTITY	DESCRIPTION	UNIT PRICE	UOM	NET PRICE
OSDBA SUPPORT FOR PERIOD 07/01/08-06/30/09				
1.00	OPERATING SYSTEM DATABASE ADMINISTRATIVE SUPPORT	6,210.00	EA	\$ 6,210.00
COMMENTS: <u>ALL payments</u> must be sent to the remittance address shown above.		SALE AMOUNT	\$6,210.00	
		SALES TAX	0.00	
		TOTAL	\$6,210.00	

All software provided by MUNIS to the Customer, including the programs and related documentation, are confidential, trade secrets, and the proprietary property of Tyler Technologies, Inc. Any unauthorized use, examination, modification, replication, recompilation, transfer, reverse engineering, or disclosure is strictly prohibited.

**Annual Agreement For
Operating System & Database Administration Support**

Invoice to: City of Prescott

Contact: Debra Bellingham

Address: 201 South Cortez St Prescott, AZ 86303

Telephone: (928) 777-1265 x

This Agreement (herein "Agreement") is entered into between City of Prescott (CUSTOMER) with its principal place of business at 201 South Cortez St. Prescott, AZ and Tyler Technologies, Inc., MUNIS Division (MUNIS) with its principal place of business at 370 US Route One Falmouth, Maine, 04105 on this 15 day of April, 2008.

The headings used in the Agreement are for reference purposes only and shall not be deemed a part of this Agreement.

CUSTOMER agrees to purchase and MUNIS agrees to provide the services listed below in accordance with the following terms and conditions.

I. Term of Agreement:

This Agreement is effective as of 07/01/2008 and shall remain in force until 06/30/2009 (one year term). Upon termination of this Agreement CUSTOMER may renew the Agreement for subsequent one year periods at the then current fee structure as established by MUNIS.

II. Scope of the Agreement:

Both parties acknowledge that this Agreement covers the services described below, for the operations of:

X City/Town School County Other

(This Agreement is limited to only those entities marked.)

III. Payment:

1. CUSTOMER agrees to pay MUNIS \$6,210.00, for the services as described below. This payment is due and payable upon execution of the Agreement.
2. **Additional Charges.** Any maintenance performed by MUNIS for CUSTOMER who is not covered by the Agreement will be charged at the then applicable time rate. All materials supplied in connection with such non-covered maintenance or support will be charged to CUSTOMER. Any additional charges will be added to the next invoice submitted to CUSTOMER and shall be due on the same date as the other charges included in that invoice.

IV. Covered System:

Specified Hardware System:
Dell PowerEdge 2850
Windows 2003

Database Products:
SQL Server 2000 Std
15 Users

V. Terms and Conditions for Support:

1. **Scope of Services:** MUNIS will provide the following services for the benefit of CUSTOMER.
 - a. OS/DBA Service is available during MUNIS's normal working hours (8:00 A.M. to 6:00 P.M., Eastern Standard Time, Monday through Friday) for the term of this Agreement.
 - b. OS/DBA related trouble calls can be placed by dialing 1-800-772-2260 and choosing option 3, then choosing option 5. . . At particular times, your call may be forwarded to the OS/DBA mailbox at extension 5545. In either case, your call will be recorded and answered on a first in first out basis, except on reports that declare your system is down, which are moved to the head of the queue.
 - c. The Windows System Administration services are restricted to the Application Server that MUNIS is installed on. In cases where a stand by server is employed, the stand by server is included as long as the stand by server is only used in the event of the primary application server failing. Specifically, the standard OS/DBA contract for Windows System Administration support is intended to be for a single Windows Server; the MUNIS Application Server.
 - d. Database: The intended coverage for a standard OS/DBA contract is for a single MUNIS Application Server running any number of MUNIS Application modules utilizing 1 live and 1 training database. *Therefore, the Database Administration services are restricted to 2 MUNIS Databases, defined as one live database and one training database.*
 - (1) In cases where multiple live databases exist, as is the case when more than one business entity shares the MUNIS Application Server, each additional separate business entity is required to contract for the Database Administration Services portion of the OS/DBA Services contract separately at a rate of 50% of the quoted OS/DBA contract price. In this event, one of the business entities sharing the MUNIS Application Server is required to purchase the OS/DBA contract at full price.
 - (2) In cases where multiple databases exist, and all databases belong to a single business entity, only one live and one training database will be covered. Each additional database pair of one live and one training, or one live and no training, must be contracted for separately at the rate of 50% of the quoted OS/DBA contract price.
 - e. MUNIS Application Software: MUNIS GUI: The standard OS/DBA service includes coverage for one or two complete sets of MUNIS GUI application programs and forms, defined as one live set and one training set.
 - f. MUNIS Required Foundation Software
 - (1) The standard OS/DBA contract includes a single installation of all MUNIS required foundation software.

- (2) MUNIS required foundation software is defined as any software required to run MUNIS. This includes Database Engine software, Informix 4GL Runtime software, Informix Dynamic 4GL software and 4J's Universal Compiler Runtime software.
 - (3) In no case does the OS/DBA contract supply support for any Microsoft Product including the PC operating system.
 - g. In cases where multiple installations of foundation software exist for any purpose other than as required for a stand by or back up server configuration, such as a development installation, only the installation required to run MUNIS is covered under the standard OS/DBA contract.
 - h. The scope of the service provided by a standard OS/DBA contract is restricted to the installation and configuration of MUNIS Application software and MUNIS required foundation software as originally installed on the MUNIS Application Server.
 - i. Further services in the category of Windows System Administration are limited to administrative tasks on the installed Operating System.
 - j. Further services in the category of Data Base Administration are limited to administrative tasks on the installed Database Engine software.
2. **Limitations and Exclusions:**
- a. This Agreement does include the installation and configuration of a new or upgraded server once every two years.
 - b. This Agreement does not include the installation and configuration of a new Informix Engine.
 - c. This Agreement does not provide support for software not required to run MUNIS.
 - e. This Agreement does not provide support for software required but not recommended (i.e. terminal emulation software that has not been recommended by MUNIS).
3. **CUSTOMER Responsibilities:**
- a. CUSTOMER shall provide, at no charge to MUNIS, full and free access to the programs covered hereunder: working space; adequate facilities within a reasonable distance from the equipment; and use of machines, attachments, features, or other equipment necessary to provide the specified support and maintenance service.
 - b. CUSTOMER shall install and maintain for the duration of this Agreement, a modem and associated dial-up telephone line or other connection method acceptable to MUNIS. CUSTOMER shall pay for installation, maintenance and use of such equipment and associated telephone line use charges. MUNIS at its option, shall use this modem and telephone line in connection with error correction. Such access by MUNIS shall be subject to prior approval by CUSTOMER in each instance.
4. **Non-Assignability:** CUSTOMER shall not have the right to assign or transfer its rights hereunder to any party.
5. **Excused Non-Performance:** MUNIS shall not be responsible for delays in servicing the products covered by this Agreement caused by strikes, lockouts, riots, epidemic, war, government regulations, fire, power failure, acts of God, or other causes beyond its control.
6. **Limitation of Liability:** The liability of MUNIS is hereby limited to a claim for a money judgement not exceeding the total amount paid by CUSTOMER for services under this Agreement. CUSTOMER SHALL NOT IN ANY EVENT BE ENTITLED TO, AND MUNIS SHALL NOT BE LIABLE FOR, INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES OF ANY NATURE. EVEN IF MUNIS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, IRRESPECTIVE OF THE NATURE OF CUSTOMER'S CLAIM.

VI. General

- 1. **Governing Law:** This agreement shall be governed by, and construed in accordance with, the laws of the client's state of domicile. The invalidity or unenforceability of any provisions of this agreement shall not affect the validity or enforceability of any other provision.
- 2. **Modification of this Contract:** No modifications or amendment of this Agreement shall be effective unless set forth in writing and signed by both CUSTOMER and MUNIS.
- 3. **Suspension:** Support and services will be suspended whenever CUSTOMER's account is thirty days overdue. Support and services will be reinstated when CUSTOMER's account is made current
- 4. **Trademarks:** MUNIS and the MUNIS Logo are registered trademarks of MUNIS, Inc.

CUSTOMER⁸⁹

Tyler Technologies, Inc., MUNIS Division



Richard E. Peterson, Jr., President

April 15, 2008

Date

Date

⁸⁹CUSTOMER's acceptance signature is optional. Payment of this contract by CUSTOMER signifies acceptance of the terms and conditions outlined herein. MUNIS will not accept any changes to this contract.

**ANNUAL SUPPORT AGREEMENT AND LICENSE AGREEMENT
FOR MUNIS® SOFTWARE**

Invoice to:	City of Prescott	Contact:	Kay Baker
9904	201 South Cortez St.		
Address:	Prescott, AZ 86303	Telephone:	520.776.6208

This Support and License Agreement (herein "Agreement") is entered into between City of Prescott (Licensee) with its principal place of business at 201 South Cortez St., Prescott, AZ and Tyler Technologies, Inc., MUNIS Division, (Licensor) with its principal place of business at 370 US Route One, Falmouth, Maine, 04105 on this 1st day of July 2008.

The headings used in the Agreement are for reference purposes only and shall not be deemed a part of this Agreement.
The Licensee agrees to purchase and MUNIS agrees to provide services for the products listed below in accordance with the following terms and conditions.

I. Term of Agreement

This Agreement is effective as of 07/01/08 and shall remain in force until 06/30/09 (one-year term). Upon termination of this Agreement the Licensee may renew the Agreement for subsequent one-year periods at the then current fee structure as established by the Licensor.

II. Scope of the Agreement

Both parties acknowledge that this Agreement covers both Support and Licensing for the products listed below, used by the Licensee for the operations of: City/Town/Village School County Other
(This Agreement is limited to only those entities marked.)

III. Payment

- Licensee agrees to pay MUNIS \$ 26,275.00, for licensing and support services, as described below. This payment is due and payable upon execution of the Agreement.
- Additional charges. Any services performed by MUNIS for the Licensee, which are not covered by the Agreement, will be charged at the then applicable time rate*. All materials supplied in connection with such non-covered maintenance or support will be charged to the Licensee. Any additional charges will be added to the next invoice submitted to the Licensee and shall be due on the same date as the other charges included in that invoice.

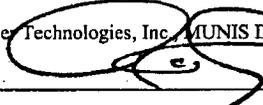
IV. Covered Products

This Agreement is limited to the following listed products which are registered for Licensee's Windows 2003 system.

Application:	Application:
Skeletal General Ledger & Budget Projection	D
Applicant Tracking	D
Employee Self Service	D
HR Management	D
MUNIS Crystal Reports	D
MUNIS Office	D
Payroll	D
Timekeeping Interface	D
Tyler Forms Processing	D

Licensee¹

Date

Tyler Technologies, Inc. MUNIS Division


Richard E. Peterson, Jr., President
Date May 22, 2008

* Current Billable Service Rates are available on request.
Rates are subject to change and a contract for services or a Purchase Order is required to hold a quoted rate.

¹ Licensee's acceptance signature is optional. Payment of this contract by Licensee signifies acceptance of the terms and conditions outlined herein. MUNIS will not accept any changes to this contract.
Revised 8/1/2007

V. Terms and Conditions for Licensing:

1. **Grant of License:** Upon execution of this Agreement, Licensee is hereby granted the non-exclusive and non-transferable license and right to use the current version of the MUNIS Licensed Programs listed in Section IV., and related materials. This License will also cover any additional revisions that Licensor may release during the term of this Agreement. The Licensor agrees to extend and the Licensee agrees to accept a license subject to the terms and conditions contained herein for the current version of the MUNIS software products identified in Section IV.
2. **Limited Use:** The software products listed are licensed for use only for the benefit of the Licensee listed in this Agreement. This license is registered for the Licensee's computer system identified in Section IV. As long as a current License and Support Agreement is in place, this License may be transferred to any other hardware system used for the benefit of Licensee. Licensee agrees to notify Licensor prior to transferring the licensed products to any other system. The right to transfer this license is included in the cost of this Agreement. The cost for new media or any required technical assistance to accommodate the transfer would be billable charges to the Licensee.
3. **Confidentiality:** The Licensee agrees that the Products are proprietary to the Licensor and have been developed as a trade secret at the Licensor's expense. The Licensee agrees to keep the software products confidential and use its best efforts to prevent any misuse, unauthorized use or unauthorized disclosures by any party of any or all of the Products or accompanying documentation.
4. **Modification:** The Products may be modified but such modification shall be only for the use on the Licensee's system for which the Products are licensed and shall not cause the Licensee or anyone performing such modification to gain any proprietary or other interest in the Products.
5. **Copies:** The Licensee may make copies of the licensed Products for archive purposes only. The Licensee will repeat any proprietary notice on the copy of the Product. The documentation accompanying the product may not be copied except for internal use.
6. **Warranty:** For as long as a current software support agreement is in place, the Licensor will warrant that all MUNIS® software programs will operate as described in the brochures and user manuals of MUNIS. If a program fails to operate in the manner described within these documents, the Licensor will correct the problem at no charge to the Licensee. If Licensee has made modifications to the software programs, Licensor will no longer warrant the performance of those programs, which contain modifications, unless specifically authorized in writing by the Licensor.

VI. Terms and Conditions for Support:

1. **Scope of Services:** MUNIS will provide the following services for the benefit of the Licensee.
 - a.) MUNIS shall provide software-related telephone support to the Licensee. Support personnel will accept phone calls during MUNIS's normal working hours (8:00 A.M. to 6:00 P.M., Eastern Standard Time, Monday through Friday) for the term of this Agreement, limited to a reasonable number of calls of reasonable duration. Assistance and support requests, which require special assistance from MUNIS's development group, will be taken and directed by support personnel. In the event that support representatives are unavailable to receive calls, messages will be taken and calls will be returned within one working day.
 - b.) MUNIS will continue to maintain a master set of the current computer programs on appropriate media, as well as hardcopy printout of source code programs and documentation.
 - c.) MUNIS will maintain staff that is appropriately trained to be familiar with Licensee's software programs that are listed in Section IV in order to render assistance, should it be required.
 - d.) MUNIS will provide Licensee with all program enhancements, modifications or updates that MUNIS may make to the then Current Release of the program applications covered in this Agreement.
 - e.) In the case of system software new Release(s), the Licensee will also be required to pay whatever fees the manufacturer charges to MUNIS for the new Release. Licensee understands that and agrees that six (6) months after shipment by MUNIS of new Releases, MUNIS shall cease to support the earlier Release and for the balance of the term, MUNIS shall support the new Release.
 - f.) MUNIS will make available appropriately trained personnel to provide Licensee additional training, program changes, analysis, consultation, recovery of data, conversion, non-coverage maintenance service, etc., billable at the current per diem rate. All expenses will be billed in accordance with the then current Tyler Travel Policy.
2. **Limitations and Exclusions:** The support and services of this Agreement do not include the following:
 - a.) Installation of the Licensed Software, onsite support, application design, and other consulting services, or any support requested outside of normal business hours.
 - b.) The Licensee shall be responsible for implementing at its expense, all changes to the Current Release. Licensee understands that changes furnished by MUNIS for the Current Software Release are for implementation in the Current Software Release, as it exists without customization or Licensee alteration.
3. **Licensee Responsibilities:**
 - a.) The Licensee shall provide, at no charge to MUNIS, full and free access to the programs covered hereunder: working space; adequate facilities within a reasonable distance from the equipment; and use of machines, attachments, features, or other equipment necessary to provide the specified support and maintenance service.
 - b.) The Licensee shall install and maintain for the duration of this Agreement, a modem and associated dial-up telephone line or other connection method acceptable to MUNIS. The Licensee shall pay for installation, maintenance and use of such equipment and associated telephone line use charges. MUNIS at its option, shall use this modem and telephone line in connection with error correction. Such access by MUNIS shall be subject to prior approval by the Licensee in each instance.
4. **Non-Assignability:** The Licensee shall not have the right to assign or transfer its rights hereunder to any party.
5. **Excused Non-Performance:** MUNIS shall not be responsible for delays in servicing the products covered by this Agreement caused by strikes, lockouts, riots, epidemic, war, government regulations, fire, power failure, acts of God, or other causes beyond its control.
6. **Limitation of Liability:** The liability of MUNIS is hereby limited to a claim for a money judgement not exceeding the total amount paid by the Licensee for services under this Agreement. **THE LICENSEE SHALL NOT IN ANY EVENT BE ENTITLED TO, AND MUNIS SHALL NOT BE LIABLE FOR, INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES OF ANY NATURE, EVEN IF MUNIS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, IRRESPECTIVE OF THE NATURE OF THE LICENSEE'S CLAIM.**

VII. General

1. **Governing Law:** This agreement shall be governed by, and construed in accordance with the laws of Client's state of domicile. The invalidity or unenforceability of any provisions of this agreement shall not affect the validity or enforceability of any other provision.
2. **Modification of this Contract:** No modifications or amendment of this Agreement shall be effective unless set forth in writing and signed by both the Licensee and MUNIS.
3. **Suspension:** Support and services will be suspended whenever Licensee's account is thirty days overdue. Support and services will be reinstated when Licensee's account is made current.
4. **Entire Agreement:** THIS AGREEMENT CONSTITUTES THE COMPLETE AND EXCLUSIVE STATEMENT OF THE AGREEMENT BETWEEN THE LICENSEE AND MUNIS WHICH SUPERSEDES ALL PROPOSALS, ORAL OR WRITTEN, AND OTHER COMMUNICATIONS BETWEEN THEM RELATING TO THE SOFTWARE SUPPORT AND MAINTENANCE SERVICE OF THE PRODUCTS COVERED BY THIS AGREEMENT.
5. **Trademarks:** MUNIS and the MUNIS Logo are registered trademarks of Tyler Technologies, Inc.

I-C

COUNCIL AGENDA MEMO – JULY 15, 2008
DEPARTMENT: Airport
AGENDA ITEM: Authorize purchase of Electrical Distribution Facilities in the amount of \$28,122.00 for the Airport terminal expansion project and further authorizing the Mayor and staff to execute any and all documents related to the procurement.

Approved By:	Date:
Department Head: Benjamin Vardiman, Airport Manager	July 8, 2008
Finance Director:	
City Manager: <i>H. Wood</i>	<i>07/09/08</i>

Summary

This is a request to purchase from APS (Arizona Public Service) Electrical Distribution Facilities in the amount of \$28,122.00 for the terminal expansion at the Airport. This purchase will provide additional electrical supply lines to the Airport terminal for the expansion work currently being undertaken by the City.

Background

The existing electrical supply to the terminal is currently at capacity and is not capable of supporting any additional electrical load. These facilities will provide a 480 volt three phase power supply for use by Horizon airlines to power their aircraft while on the ground. The facilities will also provide a 240 volt single phase power supply for providing power to the terminal expansion unit. City staff will be providing the trenching and conduit in accordance with the APS specifications.

Financial

The cost of this purchase is part of the ADOT grant accepted by the City on July 8, 2008 to improve the air carrier security facilities at the airport terminal building and is budgeted.

Recommended Action: MOVE to authorize purchase of Electrical Distribution Facilities in the amount of \$28,122.00 for the Airport terminal expansion project and further authorize the Mayor and staff to execute any and all documents related to the procurement.
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COUNCIL AGENDA MEMO – July 15, 2008	
DEPARTMENT:	Public Works
AGENDA ITEM:	Award of bid for the ACFC-Asphalt Rubber 2009 Overlay Project

Approved By:	Date:
Department Head: Mark Nietupski	
Finance Director: Mark Woodfill	
City Manager: Steve Norwood 	07/09/08

Item Summary

This item is to award a contract to overlay segments of 2 City streets with a layer of asphalt concrete friction course – asphalt rubber (ACFC-AR). The specific streets and limits are: (1) Willow Creek Road from Mitchell Road to Willow Creek Bridge; (2) Ruth Street from Whipple Street to Whetstine Ave.; and (3) the inclusion of approximately 200-feet of 4-inch perforated drain pipe beneath Ruth Street south of the intersection of Ruth Street and Sun Road.

Background

The placement of an ACFC-AR is a minor rehabilitation pavement preservation measure. The placement of this overlay will help maintain the structural integrity of each of the roadway segments as well as extend pavement life expectancy. Localized and broad area pavement milling will precede the overlay, which consists of 61,500 square yards of 5/8" and 1" thick ACFC-AR. Adjustment of manhole covers, valve risers, survey monuments, and sewer cleanouts in conjunction with new striping and pavement markings will follow the overlay.

Bid Results

Three bids were received on July 3rd, 2008, with Asphalt Paving & Supply, Inc., submitting the low bid in the amount of \$559,917.05.

Bidder	Location	Base Bid
Engineer's Estimate		\$ 690,956.25
Fann Contracting	Prescott	\$567,744.00
Combs Construction	Glendale	\$718,737.75
Asphalt Paving & Supply	Prescott	\$559,917.05

Agenda Item: Award of bid for the ACFC-Asphalt Rubber 2009 Overlay Project.

Asphalt Paving has submitted written confirmation of their bid, which is \$131,039.20 less than the Engineer's estimate.

Schedule

The contract allows thirty (30) calendar days for completion of the work with specific project milestones listed below:

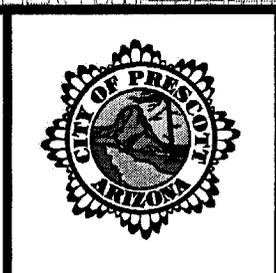
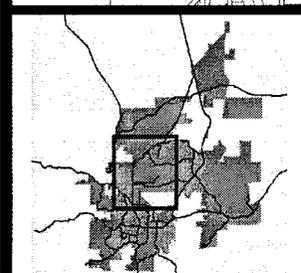
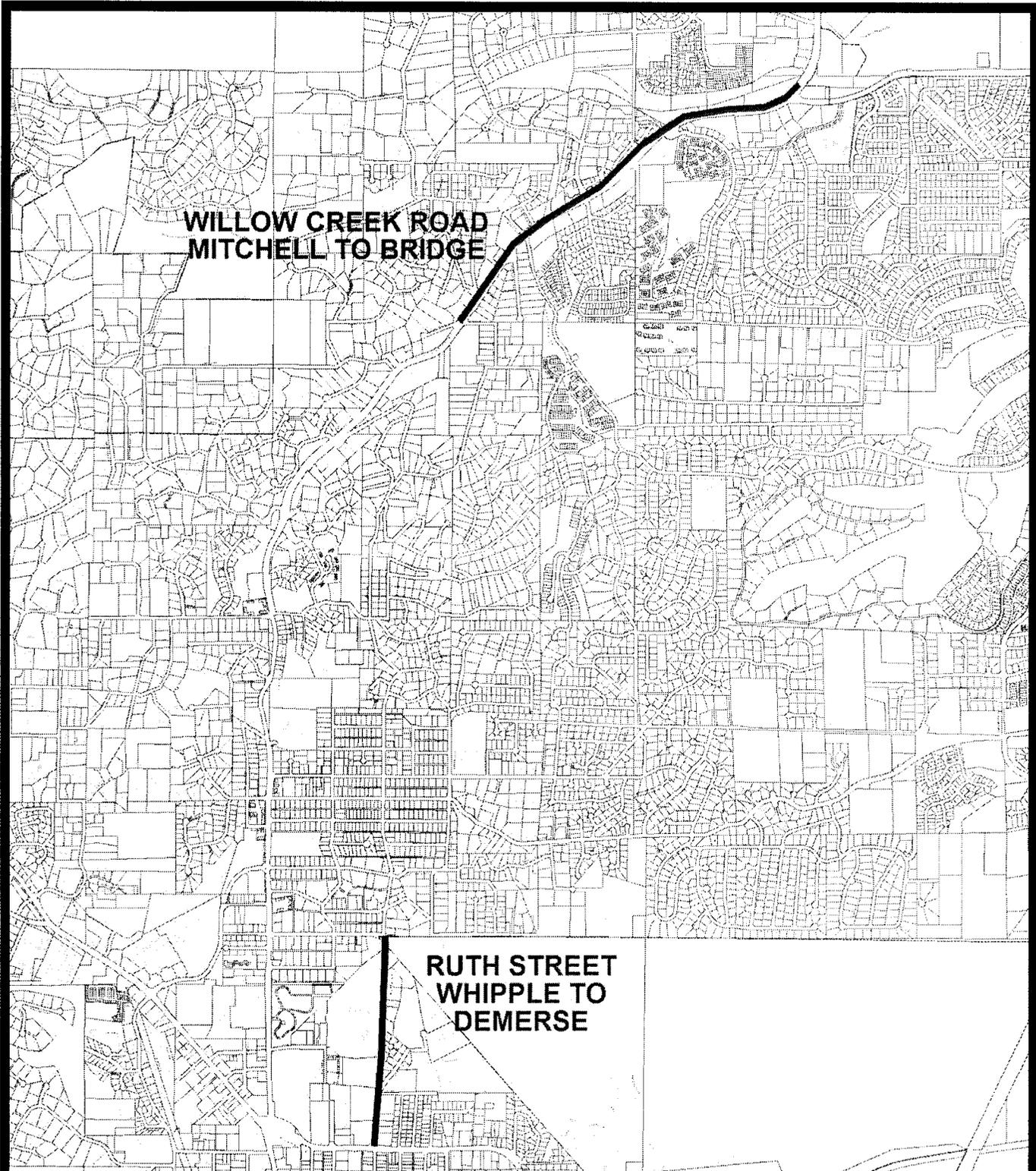
Award of Contract	July, 22, 2008
Pre-Construction Meeting	July 28, 2008
Notice to Proceed (NTP)	August 4, 2008
Substantial Project Completion	September 2, 2008

Budget

Funding for this project will be from the One Cent Sales Tax for Streets and Open Space FY 09 Account No. 66-88694.

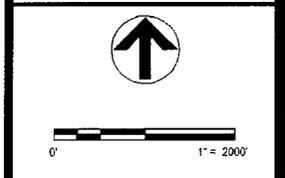
Attachments - location map

Recommended Action: MOVE to award to Asphalt Paving & Supply the bid for the ACFC –Asphalt Rubber 2009 Overlay Project, in the total amount of \$559,917.05.



**ACFC-AR F.Y. 09
LOCATION MAP**

This map is a product of the
The City of Prescott GIS



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M L S M	COUNCIL AGENDA MEMO – July 15, 2008
	DEPARTMENT: Public Works
	AGENDA ITEM: Award of bid for the FY 09 Rubber Chip Seal Pavement Preservation Project

Approved By:	Date:
Department Head: Mark Nietupski	
Finance Director: Mark Woodfill	
City Manager: Steve Norwood <i>SNorwood</i>	<i>07/09/08</i>

Item Summary

This item is to award a contract for applying rubberized chip seal on local Streets; the project limits are generally located in the Airport vicinity and north central area of the City. Additionally, this annual pavement preservation project includes applying rubberized chip seal to local streets that were reconstructed in fiscal year 2008. Unpaved streets that were recently overlaid with asphalt millings, by City forces, will receive an application of conventional chip seal.

Background

The project consists of a preventative maintenance application of asphalt rubber emulsion binder and mineral chips. This treatment is a key component of cost-effective life-cycle pavement management strategy. The application of rubberized chip seal will provide a new wearing surface and extend the underlying pavement service life. City streets identified for rehabilitation or reconstruction in the area will not be treated.

The project generally consists of approximately 230,000 square yards of rubber chip sealing of various city streets, approximately 6,978 square feet of conventional chip seal of various pavement cuts and approximately 3,511 square feet of various pavement repairs to include striping and pavement markings.

Bid Results

Two bids were received on June 26, 2008, as follows:

<u>Bidder</u>	<u>Location</u>	<u>Total Bid</u>
Cactus Transport, Inc.	Tolleson, AZ	\$1,014,495.90
International Surfacing Systems, Inc.	Chandler, AZ	\$1,094,691.50
Engineer's Estimate		\$1,025,292.00

Written bid confirmation has been received from Cactus Transport, Inc.

Agenda Item: Award of bid for the FY 08 Rubber Chip Seal Pavement Preservation Project

Schedule

The contract allows thirty (30) calendar days for completion of the work with specific project milestones listed below:

Award of Contract	July, 22, 2008
Pre-Construction Meeting	July 28, 2008
Notice to Proceed (NTP)	August 4, 2008
Substantial Project Completion	September 2, 2008

Budget

Funding for this project will be from the One Cent Sales Tax for Streets and Open Space FY 09 Account No. 66-88694.

Attachment - Streets List

Recommended Action: MOVE to award to Cactus Transport, Inc., Tolleson, Arizona, the bid for the FY 09 Rubber Chip Seal Pavement Preservation Project, in the amount of \$1,014,495.90.

MILL PAVED STREETS TO RECEIVE CHIP SEAL

STREET NAME	FROM	TO			
CHRISTIE LN	COUNTY PARK DR	EWIN DR	14,454	1,606	1,606
EWIN DR	COUNTY PARK RD	CYCLORAMA DR	10,692	1,188	1,188
WHITE CLOUD LN	MEADOW RIDGE RD	LINDA VISTA LN	12,160	1,351	3,155
LINDA VISTA LN	WHITE CLOUD LN	ESTRELLA RD	7,440	827	1,555
ESTRELLA RD	LINDA VISTA LN	GREEN LN	38,824	4,314	4,302
ACORN DR	ESTRELLA RD	N END	13,572	1,508	1,508
PERDIDO LN	MEADOW RIDGE RD	S END	19,380	2,153	2,153
VICTORIA RD	MEADOW RIDGE RD	GREEN LN	24,055	2,673	2,673
MOALL	MINI ST	W END	24,206	2,690	2,690
VALLEY PL	SANDIA DR	TABOSA DR	21,000	2,333	3,957
SANDIA DR	VALLEY PL	RIDGE RD	36,375	4,042	3,291
FARVIEW LN	W END	E END	18102	2,011	2,011
GARDEN ST	WESTERN AV	S END	3000	333	302
CARSON DR	MIDDLEBROOK RD	N END	17578	1,953	217
FAIRVIEW AV	WOOLSEY DR	ASPEN CR	18102	2,011	223
BERTRAND AV	FRANKLIN DR	CARSON DR	12188	1,354	150
WOOLSEY DR	BERTRAND AV	JUANITA TR	15400	1,711	190
FRANKLIN DR	BERTRAND AV	FAIRVIEW AV	7612	846	94
S MONTEZUMA ST	WHITE SPAR DR	S END	11430	1,270	1,377
FARVIEW LN	DOWNER TRAIL	E END	13820	1,536	1,600
PINE WOODS	DOWNER TRAIL	E END	9000	1,000	1,000
ANTELOPE DR	HWY 89	BEAR DR	19350	2,150	2,150
BEAR DR	ANTELOPE DR	N END	30240	3,360	3,360
THOMPSON DR	BEAR DR	ANTELOPE DR	24516	2,724	2,724
			422,496	46,944	43,477

NORTH CENTRAL STREETS TO RECEIVE RUBBERIZED CHIP SEAL

STREET NAME	FROM	TO			
GREEN LN	WILLOW CREEK RD	MEADOW RIDGE RD	40,104	4,456	6,500
DELANO CT	CHESTNUT DR	CUL DE SAC	7,272	808	1,058
SEQUOIA DR	TAMARACK DR	SMOKE TREE LN	124,000	13,778	14,833
NORTHVIEW DR	PEREGRINE LN	SEQUOIA DR	30,764	3,418	2,555
PEREGRINE LN	SEQUOIA DR	PRESCOTT DR	36,439	4,049	3,086
PRESCOTT DR	SEQUOIA DR	TAMARACK LN	36,439	4,049	4,388
BEAR CIR	PRESCOTT DR	N END	7,045	783	930
BADGER CT	S END	SEQUOIA DR	7,272	808	1,058
CANDLEWOOD LN	SEQUOIA DR	DESERT WILLOW	23,976	2,664	2,986
LOCUST CT	DESERT WILLOW	END	6,696	744	810
DESERT WILLOW	TRAILWOOD DR	SEQUOIA DR	107,490	11,943	7,440
REDBUD LN	SEQUOIA DR	N END	16,674	1,853	1,706
REDBUD LN	REDBUD CT	N END	3,826	425	720
REDBUD CT	REDBUD LN	CUL DE SAC	6,695	744	720
ARENA DR	LESTER	FREDERICK	49,989	5,554	6,195
FRISCO PEAKS	WILLOW CREEK RD	SOUTH END	32,000	3,556	4,517
JOVIAN DR	WHIPPLE ST	CUL DE SAC	30,780	3,420	3,795
TATUM PL	S END	ROSSER ST	13,992	1,555	2,772
ANNOLEN PL	W END	TATUM PL	5,688	632	1,045
STATES ST	S END	RAINDAGGER DR	6,696	744	2,716
BALTIC AV	S CUL DE SAC	ROSSER ST	14,474	1,608	1,981
BALTIC AV	ROSSER ST	N END	3,024	336	625
BOARDWALK AV	S END CUL DE SAC	ROSSER ST	22,484	2,498	2,810
BOARDWALK AV	ROSSER ST	ORIENTAL AVE	78,597	8,733	9,283
BOARDWALK AV	ORIENTAL AVE	E END	4,623	514	3,450
MARVIN GARDENS LN	BOARDWALK AVE	ORIENTAL AVE	35,584	3,954	6,592
MARVIN GARDENS LN	ORIENTAL AVE	CUL DE SAC	13,442	1,494	888
MARVIN GARDENS LN	S END CUL DE SAC	MARVIN GARDENS	4,592	510	
MARVIN GARDENS CT	S END CUL DE SAC	MARVIN GARDENS	4,788	532	
ORIENTAL AV	MARVIN GARDENS	BOARDWALK AVE	28,340	3,149	
ORIENTAL AV	ORIENTAL AVE	CUL DE SAC	14,508	1,612	1,702
MEDITERRANEAN CT	ORIENTAL AVE	1598 RYCOSA LN	45,780	5,087	1,638
RYCOSA LN	BLOOMINGDALE DR	BOARDWALK AVE	22,571	2,508	2,266
ATLANTIC AV	BOARDWALK AVE	BLOOMING HILLS DR	27,767	3,085	2,613
ST JAMES PL	BLOOMINGDALE DR	VENTNOR CR	27,768	3,085	3,138
ST CHARLES AV	ST CHARLES AV	ST JAMES PL	41,614	4,624	4,360
VENTNOR CR	W CUL DE SAC	ST JAMES PL	13,390	1,488	1,515
PUTNAM PL	BOARDWALK AVE	ROSSER ST	15,400	1,711	1,458
PACIFIC AV	ROSSER ST	N CUL DE SAC	14,140	1,571	1,563
READING LA	ROSSER ST	END	6,804	756	741
SHORT LINE LN	2274 MISSION WY	END OF CUL DE SAC	4,788	532	
MISSION WY					

AIRPORT AREA STREETS TO RECEIVE RUBBERIZED CHIP SEAL

STREET NAME	FROM	TO
HOLE-IN-ONE DR	LARRY CALDWELL	CUL DE SAC
GOLF LINKS DR	LARRY CALDWELL DR	END
GOLF VIEW LN	W CUL DE SAC	GOLF LINKS DR
GOLF VIEW LN CUL DE SAC	GOLF VIEW LN	S END
PERKINS DR	US HWY 89	EAST END
WINEGLASS DR	PERKINS DR	CLUBHOUSE DR
RESORT WY	CLUBHOUSE DR	E END
YOLO DR	CLUBHOUSE DR	END
CIENEGA DR	WALKING DIAMOND DR	YOLO DR
WALKING DIAMOND DR	CIENEGA DR	YOLO DR
BAR HEART DR	MACCURITY DR	CUL DE SAC

32,956	3,662	4,313
32,564	3,618	4,238
25,984	2,887	3,202
4,172	464	999
108,448	12,050	11,120
55,860	6,207	6,133
20,000	2,222	
27,072	3,008	2,877
29,152	3,239	10,490
39,360	4,373	
35,568	3,952	5,087

SOUTH PRESCOTT STREETS TO RECEIVE RUBBERIZED CHIP SEAL

MIDDLEBROOK RD	CHERRY DR	CARSON DR
	28800	3,200
		4,697

1,478,251	164,250	169,609
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COUNCIL AGENDA MEMO – July 15, 2008

DEPARTMENT: Public Works

AGENDA ITEM: Approval of reconfiguration and enhancement of existing crosswalk on Gurley Street at Summit Avenue (Petition request).

Approved By:	Date:
Department Head: Mark Nietupski	
Finance Director: Mark Woodfill	
City Manager: Steve Norwood <i>SNorwood</i>	<i>07/09/08</i>

Item Summary

This item is for consideration of the reconfiguration and enhancement of the existing crosswalk on Gurley Street at Summit Avenue. Neighborhood representatives initiated this action through a petition presented to Council at their May 13, 2008, meeting. Since that time the residents, City staff and the Transportation Coordinating Committee (TCC) have worked together to find an alternative that provided a solution that satisfied everyone's concerns. These efforts resulted in the following preferred alternative and recommended improvements:

- Relocation of the existing crosswalk across Gurley Street from the west side of the intersection to the east side.
- Installation of railing and signing prohibiting crossing Gurley on the west side of the intersection.
- Installation of a stop bar in lieu of the crosswalk on the west side to provide a location at which vehicles are to wait during pedestrian crossings.
- Installation of an advanced stop bar 40' prior to the crosswalk for the westbound approach.
- Restriction of parking on the north side of Gurley Street east of Summit Avenue prior to the advanced stop bar.
- Installation of large overhead pedestrian warning signing on mast arms for both approaches.
- Installation and removal of handicap access curb ramps as needed.

The neighborhood representatives (petition authors) have reviewed the proposed improvement plans and fully support their implementation. Additionally the Transportation Coordinating Committee at their July 3, 2008, meeting recommended the improvements as highlighted be forwarded to Council for their formal action.

Agenda Item: Approval of reconfiguration and enhancement of existing crosswalk on Gurley Street at Summit Avenue (Petition request).

Project Schedule

If approved the crosswalk improvements would be completed by City crews in early August 2008.

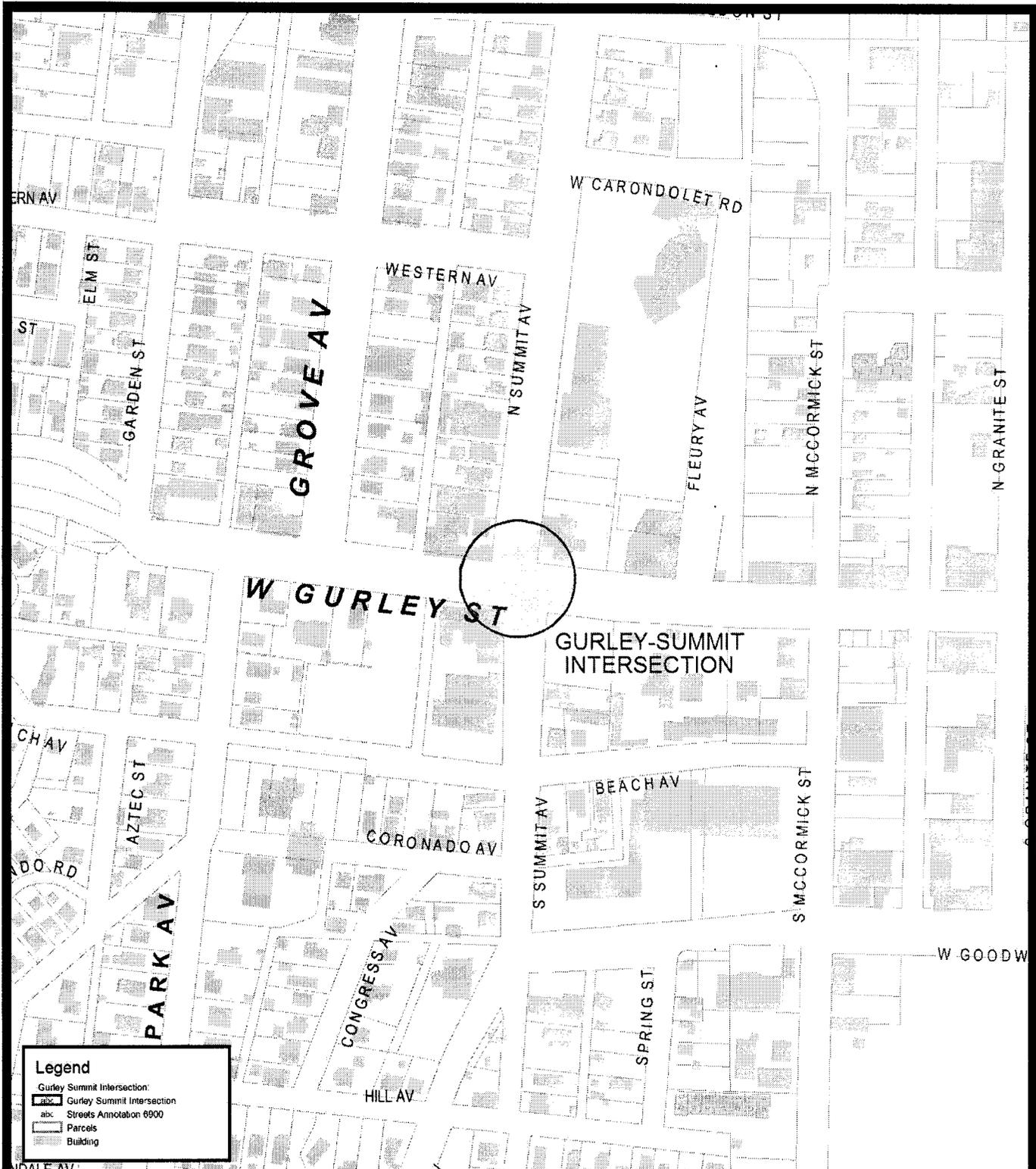
Budget

The cost of these improvements would be minimal and would be paid for from existing operating budgets of Transportation Services Division and Field Operation Department.

Attachments

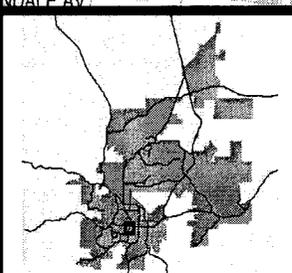
- Location map
- Crosswalk Improvement Recommendation

Recommended Action: MOVE to approve the reconfiguration and enhancement of the existing crosswalk on Gurley Street at Summit Avenue from its current location on the west side to the east side to include enhancements identified herein.



Legend

- Gurley Summit Intersection
- Streets Annotation 6900
- Parcels
- Building



**GURLEY & SUMMIT
INTERSECTION
LOCATION MAP**

This map is a product of the
The City of Prescott GIS



Crosswalk Improvement Recommendation

Gurley Street @ Summit Avenue Crossing Improvement Analysis

July 3rd, 2008 TCC Meeting

This intersection has been reviewed for both vehicular volume and speed as well as for pedestrian crossing activity. Additionally collision records were reviewed to determine if a documented safety problem exists. Based on this data, the intersection is operating adequately under the current traffic control, and signing and striping configurations. However understanding that certain improvements at the intersection may enhance the operation and user comfort the following crosswalk improvement is offered by staff.

Crosswalk Improvement option:

As stated in the neighborhood petition the goal is to “make it safer to cross Gurley Street on foot.” With this in mind staff reviewed numerous possible alternatives that have been used to enhance the safety and convenience of marked crosswalks and summarized them in the attached matrix. These alternatives vary widely and represent the full extreme, from simple signing improvements to elaborate grade separated pedestrian bridges. A common theme repeated by petition signers and neighborhood representatives, was the concern over pedestrians being “screened” from one vehicle by another. This issue is the driving force behind the request for a pedestrian activated signal, and why other options such as medians and curb extensions are not seen as effective by the petitioners. To address this problem staff is recommending the following as the preferred option:

- Relocation of the existing crosswalk across Gurley Street from the west side of the intersection to the east side.
- Installation of signing, or railing and signing prohibiting crossing on the west side of the intersection.
- Installation of a stop bar in lieu of the crosswalk on the west side to provide a location at which vehicles are to wait during pedestrian crossings.
- Installation of an advanced stop bar 40 feet prior to the crosswalk for the westbound approach.
- Restriction of parking on the north side of Gurley Street east of Summit Avenue prior to the advance stop bar.

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COUNCIL AGENDA MEMO – July 15, 2008

DEPARTMENT: Public Works

AGENDA ITEM: Request for waiver from Land Development Code Street Design Standards for Cedar Woods subdivision on Robinson Drive

Approved By:

Date:

Department Head: Mark Nietupski	
Finance Director: Mark Woodfill	
City Manager: Steve Norwood <i>SNorwood</i>	<i>07/10/08</i>

Item Summary

This item is a request for a waiver from the Land Development Code (LDC), Section 7.4.3, Street Design Standards, to reduce the required minimum street cross section width from 28 feet to 24 feet and right-of-way width from 50' to 40' in the proposed Cedar Woods subdivision on Robinson Drive.

Background

A revised preliminary plat for Cedar Woods on Robinson Drive was approved by Council on February 27, 2007, consisting of 18 townhouse units on ± 4.48 acres located at 444 Robinson Drive. The waiver request is from Dava & Associates on behalf of Choices, AZ Inc., developer of the proposed subdivision for affordable/workforce housing. The request is associated with the anticipated high costs of construction in the steep terrain, which costs will be passed on to prospective buyers as recited in the attached July 3, 2008, letter.

As requested, the reduced street width of 24' would consist of 20' of asphalt and 4' flat concrete ribbon curb on one side, with 2' rolled curb and gutter and 4' sidewalk on the other side, for a total street section width of 30'.

The reduced right-of-way width of 40' would require less excavation of the sloping terrain.

On street parking would be prohibited with "No Parking" signs placed on both sides of the street to provide for emergency access. A "hammerhead" turnaround would be provided at the end of the street. The street grade will not exceed the LDC design standard for a local street.

The Fire and Field Operations Departments have indicated that services can be provided with the street configuration proposed. Public Works has no objection to the requested waiver.

Agenda Item: Request for waiver from Land Development Code Street Design Standards for Cedar Woods subdivision on Robinson Drive

Exhibits are attached which depict the street cross section and layout of the 18 units.

Waiver Criteria

Section 9.10.13 of the LDC provides for waivers as follows

9.10.13 / Waivers

The City Council may approve, approve with conditions, or disapprove waivers of the standards in Sec. 7.4, Subdivision Design Standards, or to procedural requirements of Sec. 9.10, Subdivision and Land Split Review, when it is demonstrated to be appropriate for a project's viability, to not detract from the public good, and to be consistent with the Sec. 1.5, Purpose and Intent, of these regulations

Similar requests for waiver of the street width standard were approved by City Council for the Heritage and Ranch subdivisions in 2006 and 2008 respectively.

- Attachments**
- Area Map
 - July 3, 2008, Letter
 - Cross Section
 - Layout Sketch

Recommended Action: Should the Council desire, **MOVE** to approve a 24' street width and 40' right-of-way width in Cedar Woods subdivision.

DAVA & ASSOCIATES, INC.

PLANNING • ENGINEERING • SURVEYING

310 E. Union Street, Prescott AZ 86303

(928) 778-7587 FAX: (928) 778-1047 Mail@DavaCivil.com

TO: Mark Nietupski, Director
Public Works Department
City of Prescott

DATE: July 3, 2008

FROM: Dava Hoffman

SUBJECT: Cedar Woods on Robinson Subdlvison Requested Waivers

For some time Choices AZ, Inc has been focused on providing housing suitable for the Prescott workforce. The selected project site is located on south Robinson Drive. The Preliminary Plat of Cedar Woods on Robinson Drive was approved by the City of Prescott earlier this year for 18 homes targeting workforce home owners. After the Commission and Council's approvals, the engineering and architecture teams for the project provided detailed analysis of the site and construction design.

It was found that the site contains steeply sloping areas which would result in extra costs for construction and infrastructure in the approved plat. As a result of detailed site analyses and meetings with members of the Prescott Fire, Public Works and Community Development Departments, the project engineers/architects revised the plan many times, including modifications to street design and architecture to reduce impacts to the site. (See attachments)

The changes provide the best financial benefit to prospective workforce buyers as well as providing for sensitive treatment of the site. Savings to home buyers will result from the narrowed street width and reduced impact into the steeper terrain. This is possible with the following requested waivers from Section 7.4 of the Land Development Code:

1. reduced street width from 28' to 24' (20' asphalt and 4' flat concrete ribbon curb on one side, with additional 2' roll-curb and 4' sidewalk on other side, for 30' wide street section)
2. reduced right-of-way width from 50' to 40' to better accommodate the terrain

The requested waivers are reasonable, meeting Public Safety and Sanitation Departments standards as follows:

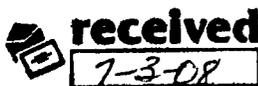
- revised street design meets Fire Department standards for "hammerhead" turn-around; all fire hydrant/fire pressures standards are also met
- parking will be prohibited on-street, with approved no parking signs installed both sides
- more than the required number of off-street parking will be provided per home and guest
- vehicles greater than 20' in length will be prohibited in driveways through CC&R's and enforced by the HOA
- refuse collection areas will be designated and enforced by the HOA to meet refuse pickup standards
- entrance street is relocated further south for improved site distance visibility
- more of the site will remain undisturbed since the street area has been narrowed and off-street parking tucked under home decks for half of the homes

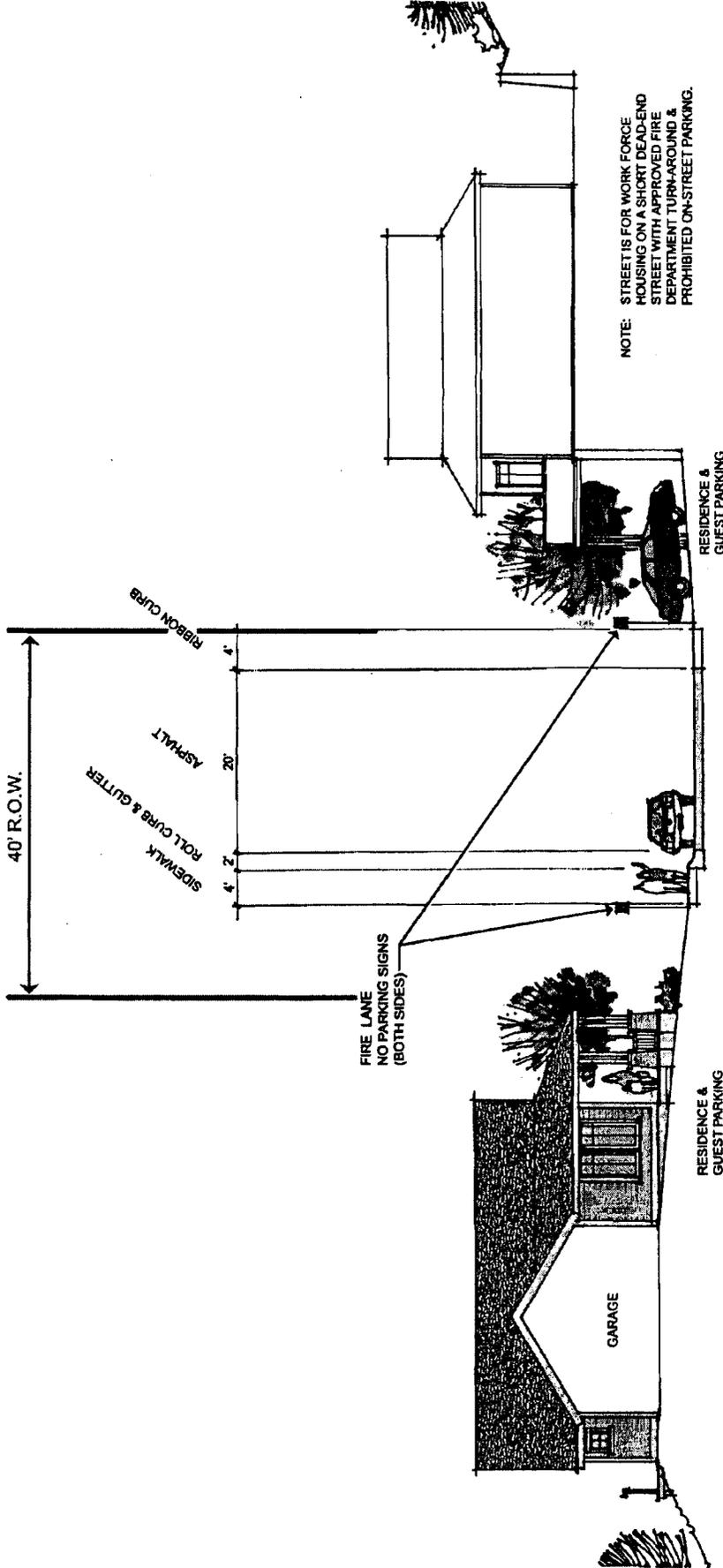
The revisions to the plan will result in greater protection of the natural terrain and hillside features, with more common open space for residents including a neighborhood park

The revised plan presents a good approach toward achieving the City Council's goals of affordable workforce housing through reduced development design standards.

Attachments

K:\636cdrwd\WP\FinalStWaiversLtr7-08.doc



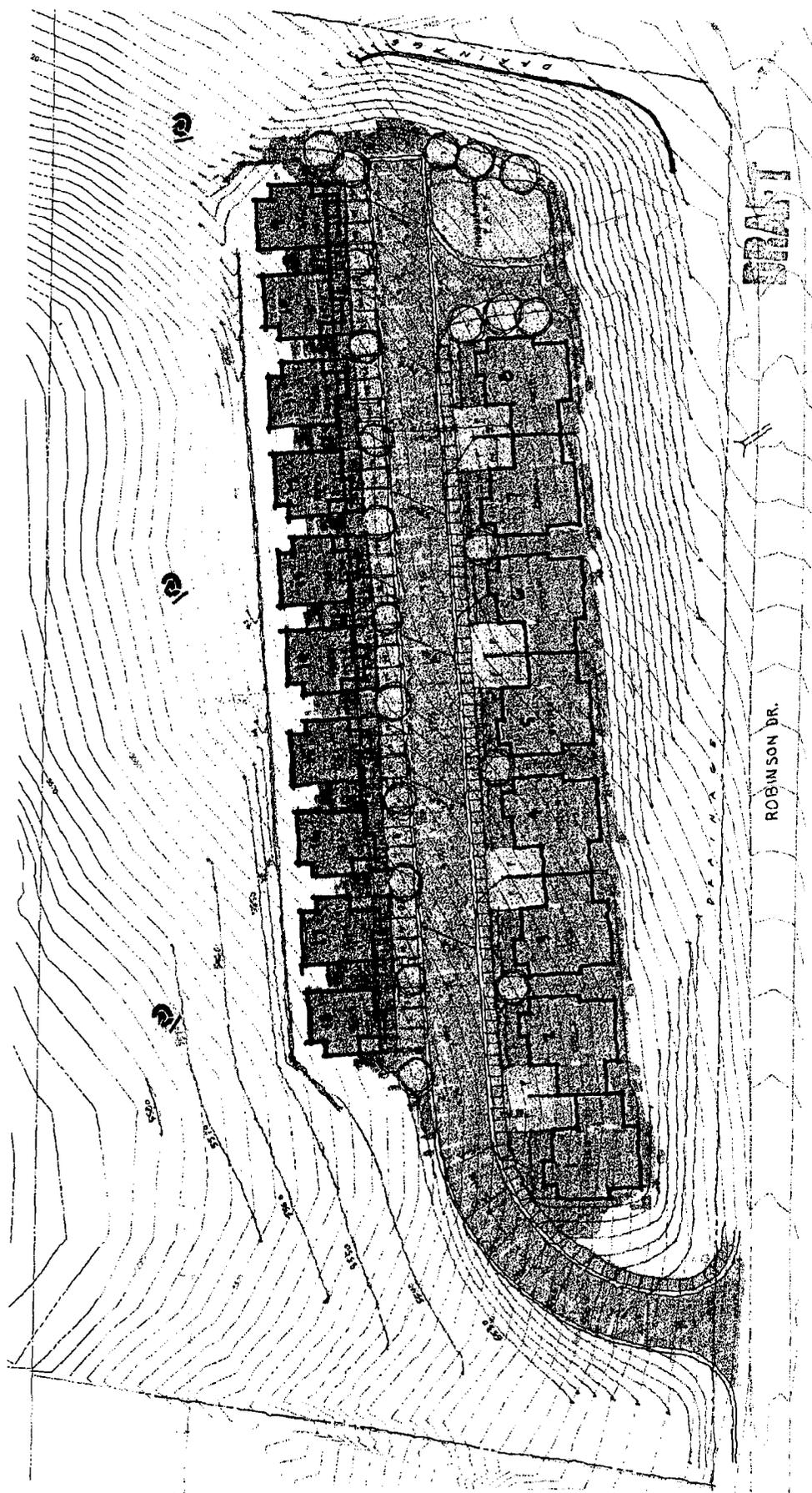


STREET SECTION LOOKING SOUTH

SCALE: 1" = 10'-0"

CEDAR WOODS

Prescott, Arizona



CEPANAWOOD
4-18-28 1-1-29
DWA S. DWA

ROBINSON DR.

D. L. ...

Agenda Item: FP06-023–Final Plat of Willow Creek Heights

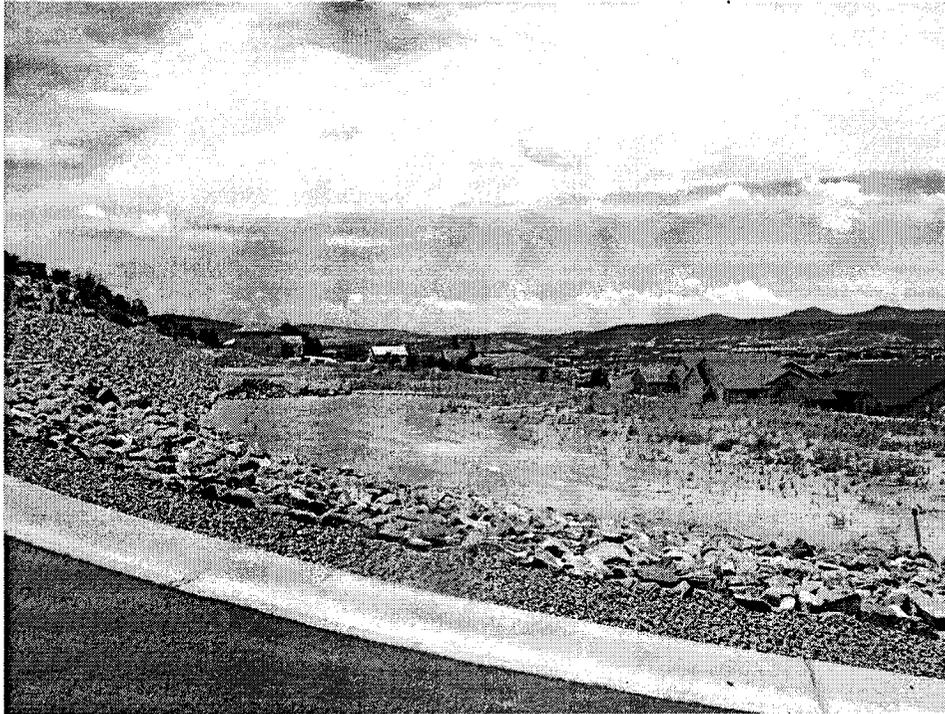
exceeding this slope percentage which are contained along the aforementioned cliff face. The applicant has provided lots which either exceed or significantly exceed the minimum lot size of the SF-18 zoning district.

Street Access and Circulation. The overall layout of this preliminary plat is unusual for the following reasons:

1. There is an easement which provides access to the properties on the west property line which connects to the Lot 13E and the proposed Benson Court parallels this easement.
1. Lot 13E cannot be split under the current Land Development Code as is so noted on the plat in anticipation of future requests to divide the lot. The owner did not wish to have it be dividable.

Driveway. An access driveway on the adjoining property parallels the proposed cul-de-sac. Mr. Benson (the applicant's) home is located on the Lot 13E and he has an easement to use this driveway. This arrangement is acceptable to Engineering.

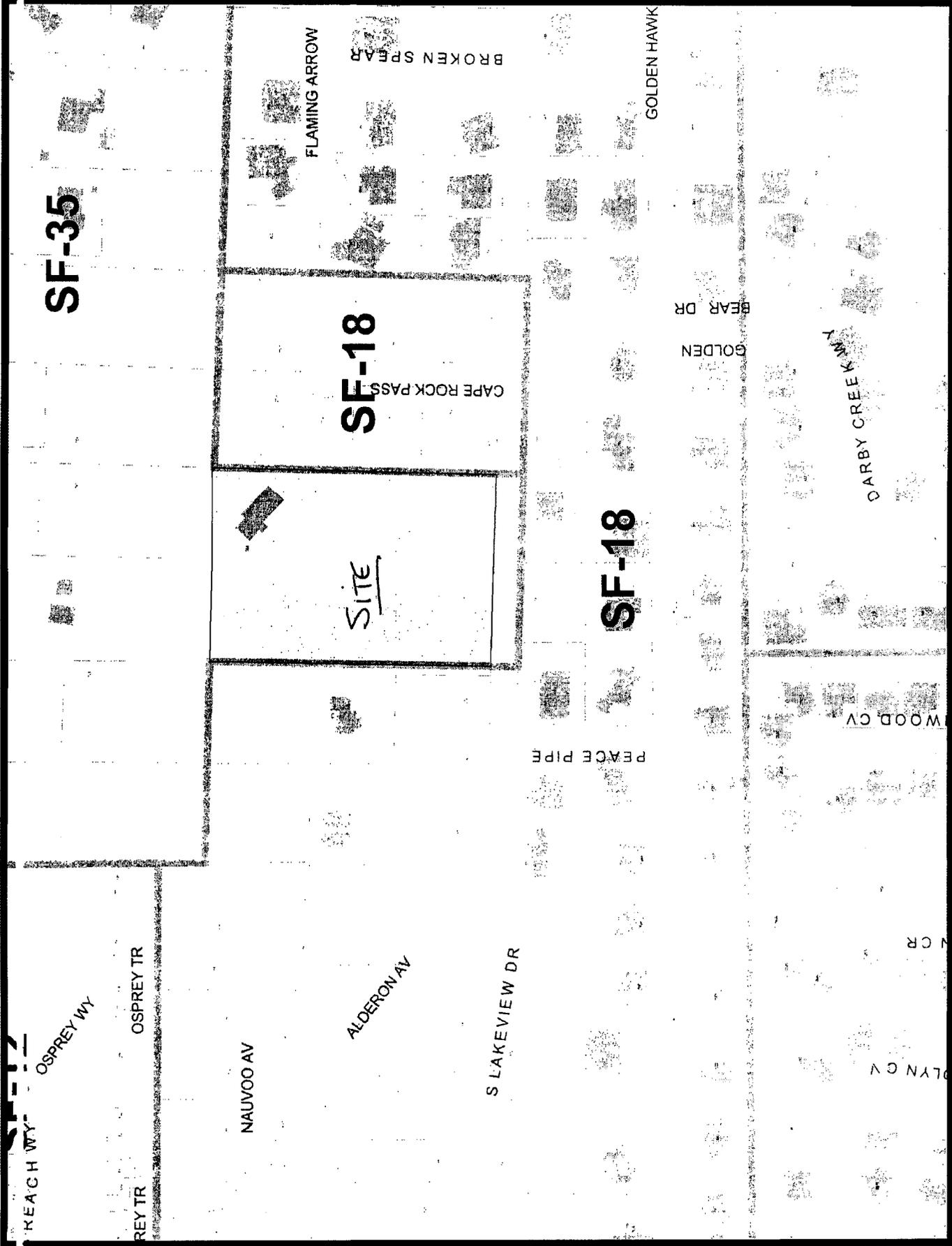
Photo: Lot 13D and Lot 13C Looking east



Water. A Water Service Agreement was previously approved for 1.4 acre feet in conjunction with the Preliminary Plat approval by City Council on August 14, 2007.

STAFF RECOMMENDATION: There are no department comments. Staff recommends approval.

Recommended Action: MOVE to approve FP06-023–Final Plat of Willow Creek Heights Lot 13.



SF-35

SF-18

SF-18

SITE

FLAMING ARROW

BROKEN SPEAR

GOLDEN HAWK

BEAR DR

GOLDEN

DARBY CREEK WY

WOOD CV

N CR

PLYN CV

REACH WY

OSPREY WY

REY TR

OSPREY TR

NAUVOO AV

ALDERON AV

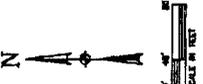
S LAKEVIEW DR

PEACE PIPE

FINAL PLAT OF WILLOW CREEK HEIGHTS LOT 13

(ORIGINALLY RECORDED IN BOOK 7 OF MAPS AND PLATS,
PAGE 60, RECORDS OF YAVAPAI COUNTY, ARIZONA)

A PORTION OF THE SOUTH HALF OF SECTION 15,
TOWNSHIP 14 NORTH, RANGE 2 WEST,
GILA AND SALT RIVER MERIDIAN,
CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA
ASSASSIN'S PARCEL NUMBER 104-30-023



OWNER: THE BERTON FAMILY TRUST, LLOYD J. BERTON, TRUSTEE
LLOYD J. BERTON, TRUSTEE
1401 N. GILBERT STREET
PRESCOTT, AZ 86301
(928) 771-1700

LAND SURVEYOR: KELLY/WIRE ENGINEERING, INC.
1401 N. GILBERT STREET
PRESCOTT, ARIZONA 86301
(928) 771-1700

LINE TABLE:

LINE	BEARING	DISTANCE	AREA
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APPROVALS:
ACCEPTANCE CERTIFICATE
THE BOARD AND COUNCIL OF THE CITY OF PRESCOTT, ARIZONA, ON THIS _____ DAY
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LAND USE AREA:
SUBDIVISION LOTS : 36,427 S.F. (0.83)
PUBLIC RIGHT-OF-WAY : 18,178 S.F. (0.41)
TOTAL : 54,605 S.F. (1.24)

ZONING:
PRESCOTT ZONING : P-18
PRESCOTT ZONING : P-18

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D LOT LINE WITH 'ESTIMATE' TO BE SET
R.C. ROAD CENTERLINE
M.A. MAPS AND PLATS
YAVAPAI COUNTY RECORDER'S OFFICE
ASSASSIN'S PARCEL NUMBER
SQUARE FEET
(92,130)

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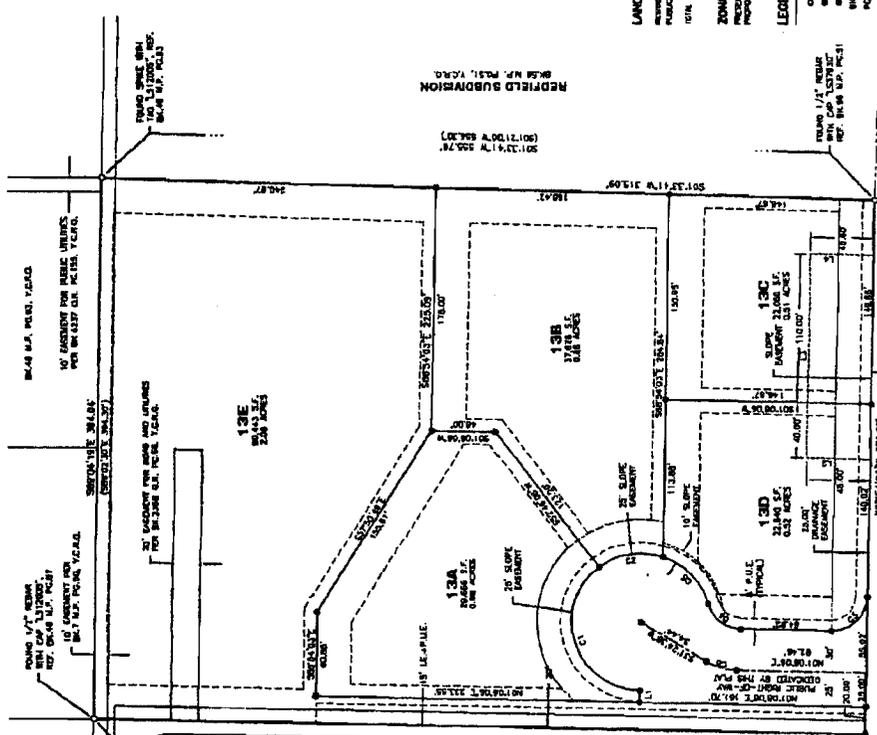
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COUNCIL AGENDA MEMO – July 15, 2008
DEPARTMENT: Community Development
AGENDA ITEM: Rezoning of Lot 1 Sunland Subdivision, 902 Jovian Drive from SF-9 to RO. The Property is Located at the North West Corner of Whipple Street and Jovian Drive, APN 116-20-057A. Applicant is Dennis Burks, 776-8100. Property is Owned by the Robert E. and Edna L. Smith Rev. Trust.

Approved By:	Date:
Department Head: Tom Guice	
Finance Director:	
City Manager: Steve Norwood 	07/09/08

REQUEST

This is a request to rezone a single lot (approximately 7000 sq. ft.), located at the north east corner of Whipple and Jovian from SF-9 to Residential Office (RO). The change in zoning will allow for conversion of the existing residence into an office. Dennis Burks is the applicant and he intends to occupy the building with his State Farm Insurance Office. The application includes a site plan showing the exist structure at 1196 square feet plus an addition of 220 square feet, a total of 1416 square feet. Parking for the office is required at 1:300, thus 5 spaces are required. The plan shows 7 spaces. Vehicular access will occur from a 24' wide driveway off Whipple (expanded from the existing driveway).

PRIOR REZONING ACTIVITY IN THE NEIGHBORHOOD

The two adjoining lots to the west were rezoned to RO in 2000 (RZ0030). The rezoning coincided with the neighborhood planning process that resulted in the adoption of the Canterbury Neighborhood Plan (October 2000). The rezoning application initially included four lots:

- The property that is the subject of the current request, Lot 1 Sun Land Subdivision, 902 Jovian.
- The lot to the north, Lot 2 Sun Land Subdivision, 904 Jovian.
- The two lots to the west, Lots 1 and 3 Verd Smith Subdivision, 901 and 909 Audrey.

As the rezoning was being concluded, the owners of 902 Jovian and 904 Jovian (including the current request) decided not to proceed with the rezoning. Thus the process concluded with approval of RO zoning for the westerly properties. Ordinance No. 4049 approving the rezoning includes a requirement that prior to any change in use that the owners shall submit a site plan to the Planning and Zoning Commission for review and approval. This allows for a public review process to determine that adequate access, parking, landscaping and buffering can occur. The rezoning also included a Development Agreement requiring the dedication of an access easement (12' wide) along the common property line with the subject property. This requirement

did not acknowledge the existing utilities located along this property line. Access from this location is restricted by electrical and phone lines and more specifically by utility pole(s), and communications cabinets and or pull stations/pedestals. The communications services include both phone cable and fiber optic cable. Additionally, the requirement for the easement did not include any analysis on the separation of the existing structures from the property line. The residence located at 901 Audrey is approximately 20 feet from the property line, thus the property does not have adequate area for the access easement and the parking area that would be served by the easement. The residence located at 909 Audrey was enlarged in 2006 and is built to the 10 foot setback, and as such has no rear area available for future parking and/or the easement. It appears that the requirement for the easement was based upon an assumption that several properties would be assembled and that some type of redevelopment would occur. The application did not include a site plan. Staff has discussed the easement issue with the current applicant and the owner of one of the adjoining properties. The consensus is that the concept of having a common driveway/easement is unrealistic due to the location of the utilities and the location of the westerly structures and all agree that the easement would not provide the intended benefit.

CONSISTENCY WITH THE GENERAL PLAN and CANTERBURY NEIGHBORHOOD PLAN

The General Plan Land Use Map shows this area as mixed use. The Canterbury Neighborhood Plan supports the rezoning this property. The Plan goals and objectives are summarized as follows;

- Residential Office (RO) zoning is recommended for residential properties along Whipple, two lots deep, from Jovian Drive to Dameron Street.
- Properties seeking rezoning should share driveways and have connected parking lots.
- Lot consolidation is encouraged to promote development with sufficient parking buffering and screening.
- Access is to be evaluated to insure safe traffic movement along Whipple as well as safe ingress and egress to this connector street.
- The primary goal of the Plan is to preserve areas of residential use while allowing commercial development to occur along the heavily traveled arterial streets.

The concepts of lot consolidation and shared access are desirable, and are addressed both by the Plan and the Land Development Code, Section 6.3, Access Management. Staff, both Planning and the Transportation Services Division of the Public Works Department have reviewed this application and concluded that the traffic impacts will be minimal and traffic control (right in/right out) is not needed.

The proposed rezoning can be considered to comply with both the General Plan and the Canterbury Neighborhood Plan.

Agenda Item: Rezoning 902 Jovian Drive, RZ08-004

PUBLIC COMMENT

A neighborhood meeting was scheduled for May 28, 2008. Notice of the meeting was sent to property owners in the area. No area residents attended the meeting.

PLANNING COMMISSION REVIEW AND RECOMMENDATION

The Commission reviewed this request at their meetings on 6/12 and 6/26/06 (Public Hearing). The Commission discussed the access/driveway from Whipple, the potential for restricting traffic movement to right turns (to/from the site) and concluded by vote of 7:0 that the rezoning should be approved without conditions.

Recommended Action: **MOVE** to approve Ordinance No. 4661-0904.

ORDINANCE NO. 4661-0904

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 GENERALLY LOCATED AT THE NORTHWEST CORNER OF WHIPPLE AND JOVIAN FROM SINGLE-FAMILY 9 (SF-9) TO RESIDENTIAL OFFICE (RO) CONSISTING OF APPROXIMATELY 0.16 ACRE

RECITALS:

WHEREAS, the owners of certain properties within the corporate limits of the City of Prescott have requested a rezoning of their property; and

WHEREAS, the Planning and Zoning Commission of the City of Prescott has held public hearings regarding said rezoning; and

WHEREAS, the City Council of the City of Prescott has determined that it would be in the best interest of public necessity, interest, convenience or general welfare to rezone certain property; and consistent with the General Plan; and

WHEREAS, the requirements of Section 9.15 of the City of Prescott *Land Development Code* have been complied with.

ENACTMENTS:

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PRESCOTT AS FOLLOWS:

SECTION 1. THAT, the following described parcel of land, consisting of approximately 0.16 acre and further described in Exhibit A attached hereto and made a part hereof, is hereby reclassified as follows: 0.16 acres from Single-Family 9 (SF-9) to Residential Office (RO).

SECTION 2. THAT the Mayor and staff are hereby authorized to take all necessary steps to effectuate such rezoning.

PASSED AND ADOPTED by the Mayor and Council of the City of Prescott on this 22nd day of July, 2008.

JACK D. WILSON, Mayor

ATTEST:

APPROVED AS TO FORM:

ELIZABETH A. BURKE, City Clerk

GARY D. KIDD, City Attorney

EXHIBIT A

Lot 1 of the Sun Land Subdivision, as recorded in Book 7 of Maps, at Page 96, Yavapai County Recorders Office, Yavapai County, Arizona:

EXCEPTING therefrom the following described portion of said Lot 1:

COMMENCING at a point on the South line of said Lot 1, being the TRUE POINT OF BEGINNING;

Thence South 88° 43' East, 12.34 feet to the Southeast corner of said Lot 1;

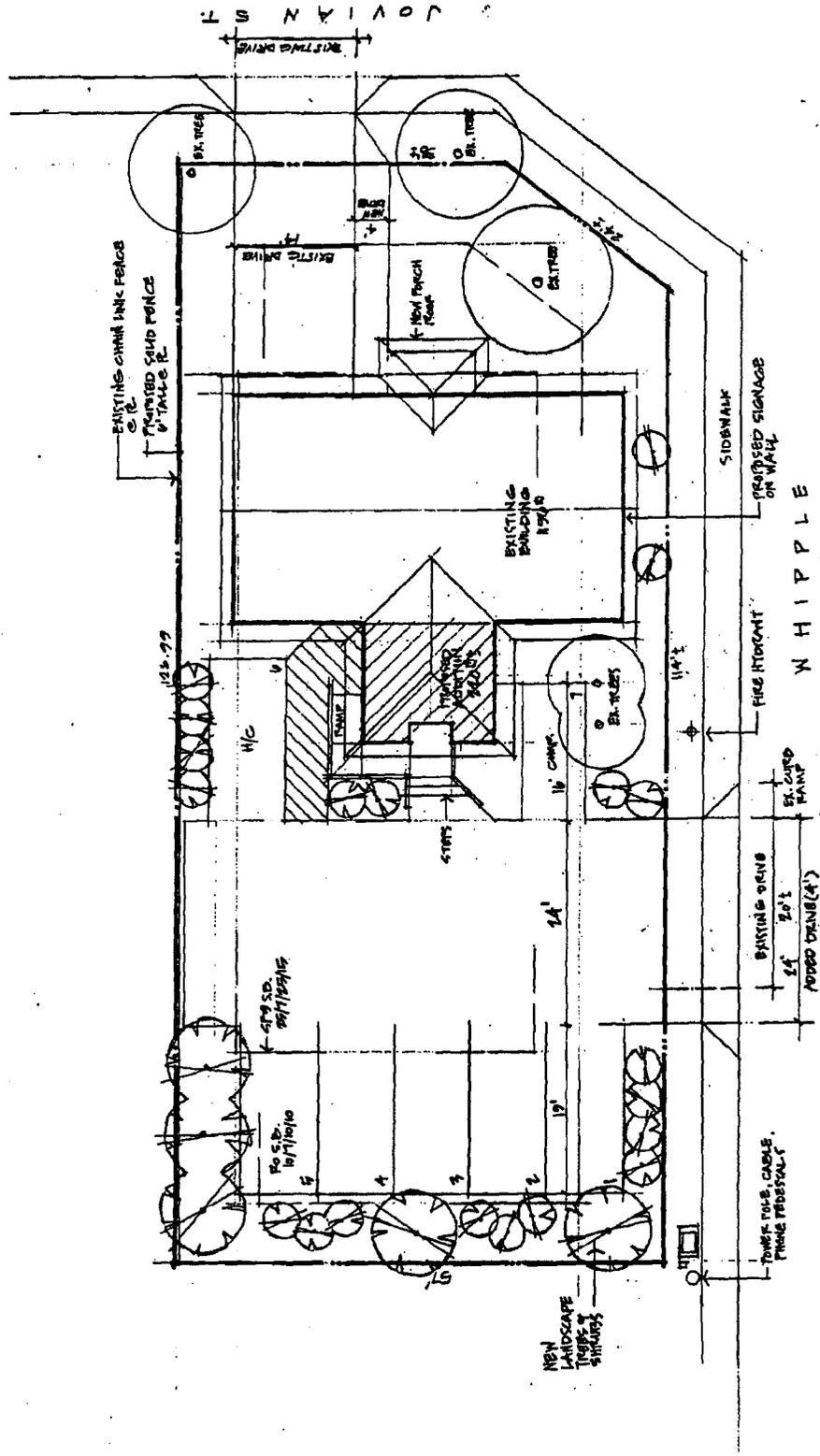
Thence North 03° 34' 01" East, 13.99 feet to a point on the East line of said Lot 1;

Thence South 44° 58' 25" West, 18.35 feet;

Thence 89° 58' 25" West, 20.62 feet to a point on the South line of Said Lot 1;

Thence South 88° 03' East, 20.39 feet to the TRUE POINT OF BEGINNING.

R708-004 Site Plan



COUNCIL AGENDA MEMO – July 15, 2008
DEPARTMENT: City Manager
AGENDA ITEM: Public hearing on proposed water and wastewater impact fees

Approved By:	Date:
Dep. City Manager: Craig McConnell <i>Craig McConnell</i>	7-10-08
Finance Director: Mark Woodfill	
City Manager: Steve Norwood <i>Steve Norwood</i>	07/10/08

BACKGROUND

Economists.com was engaged to update City utilities rates and impact fees to assure a stable financial footing for its Water and Sewer Enterprise Funds, continue quality service delivery, and safeguard the public health, all enabling achievement of the Council's "1st Class Utility System" goal, and "growth pays for growth" policy objective.

At the Council's April 1, 2008, workshop, Dan Jackson, principal of Economists.com, presented the rate and impact fee study. The document was filed with the City Clerk as required by Arizona Revised Statutes (ARS), and made available on the City website.

Legal procedures and timelines for adjusting impact fees (one-time demand charges for new connections) and rates (billed monthly for services) vary. The updated water and wastewater rates were adopted by ordinance on May 27, 2008. This memorandum pertains only to water and wastewater impact fees.

TIMETABLE FOR SETTING IMPACT FEES

5/13/08	Notice of Intention	Declared the Council's intent to increase impact fees, set the public hearing date, and notified the public of the availability of the Economists.com final report.
7/22/08	Public Hearing	Public hearing on the proposed water and wastewater impact fees.
8/26/08	Adoption of CIP and Impact Fees	Adoption of the water and wastewater Capital Improvement Program (CIP) and impact fees as set by the Council via ordinance approval.
11/9/08	New Impact Fees Effective	New water and wastewater impact fees effective (payable at the time of building permit issuance).

IMPACT FEES – GENERAL PRINCIPLES

Section VI of the Economists.com study provides background on impact fees, including the following:

1. Development of land has a measurable capacity impact on public infrastructure systems and services.

Agenda Item: Public hearing on proposed water and wastewater impact fees

2. (Impact fees) are one-time charges paid by new development to finance the water resource and public infrastructure (water and sewer) needed to serve it, as set forth in the Capital Improvement Program (CIP), and cannot exceed the new development's proportional shares of the associated costs.
3. Impact fees must meet various legal tests more specifically addressed in Arizona Revised Statutes Section 9-463.05.

The study, setting forth a 10-year financial plan to provide adequate City utilities for projected growth, is intended to be updated every two years to reflect changes in development market conditions, and resource and infrastructure costs. Generally speaking, a reduction in impact fee levels must be accompanied by a reduction in the capital improvement program (deferral of capacity projects), constraining development in those areas where facilities are inadequate to accommodate new demand.

WASTEWATER SYSTEM IMPACT FEES

Attachment A provides a summary of the wastewater system impact fees presented at the April 1, 2008, workshop which are necessary to support that part of the Sewer Fund CIP in the approved FY 09 budget creating new capacity for development. As indicated, the current "buy-in" fee based on plumbing fixture units will be replaced by an impact fee by water meter size (adjusted to return flow to the wastewater collection system net of irrigation and other outside water use).

WATER RESOURCE DEVELOPMENT AND SYSTEM IMPACT FEES

Attachment A also summarizes the water impact fees presented at the April 1, 2008, workshop, since updated to reflect the 5% increase effective May 1, 2008, applied pursuant to City Code Sections 3-14-13(G) and 3-14-14(G).

A notable change proposed in the study would be to assess the water resource development fee for residential building permits on a per dwelling unit basis, regardless of the metering configuration (individual or master meter for multi-family). The rationale is as follows:

- The City allocates "alternative" water for new multi-family (as well as single family) development from the available balance within its water portfolio; "alternative" water is a renewable resource consisting of aquifer recharge credits pledged for assured water supply, in the future to be augmented by imported Big Chino water as authorized by state law
- In order to allocate water for development, the City must have a sufficient quantity in its water portfolio
- Water in the portfolio has a cost and market value (it is the value of this water expenditure or allocation that the water resource development fee recovers)

Agenda Item: Public hearing on proposed water and wastewater impact fees

- To assure a sufficient supply of water for future growth, the City must recover the cost of the investment already made to provide “alternative” water within its portfolio for allocation to new development, as well as finance the acquisition of imported water

This cost recovery approach, however, will have a significant effect on multi-family water resource development fees, as demonstrated by the following example for new construction of a 50 unit apartment building with a 2” master meter.

Current water resource development fee	\$ 26,355.26
New fee per study (50 dwelling units x \$4,594)	\$ 229,700.00
Revised new fee based on demand (50 dwelling units x \$4,594 x 60%)	\$ 137,820.00

The “revised new fee based on demand” above has not previously been presented to Council for consideration. Rather, it is an outgrowth of dialogue with the development community, supported by analysis of actual usage per dwelling unit for each of the single family and multi-family customer classes. Multi-family usage is approximately 60% of that for single family. If the City modifies its water management (allocation) policy to differentiate between single family and multi-family residential classes, then such a reduction (to 60%) would be justifiable, and fair.

Since water usage by customers within each of the residential classes varies considerably, this approach could, however, generate proposals for creating even more allocation and fee categories leading, in the extreme, to “custom impact fees.” Recognizing that City impact fees are payable at the time of building permit issuance, and actual water usage for a given meter size cannot be accurately predicted, it is strongly recommended that as a matter of standard public utility practice, any change which might be considered at this time regarding allocation of water and impact fees for residential development be limited to: (1) definition of two customer classes (single family and multi-family); and (2) water allocation and calculation of multi-family water resource development fees at 60% of the single family fee for a 5/8” x 3/4” meter.

IMPACT FEE ALTERNATIVES

City personnel met with representatives of the Yavapai County Contractors Association, Chamber of Commerce, Choices AZ, Inc., and Prescott Area Habitat for Humanity on July 9, 2008, to discuss the Economists.com study and development fees recommended therein. Attachment B, a listing of all current City impact fees for single family residential construction, was also provided; and attendees were advised that the FY 09 budget includes studies for transportation and general governmental impact fees which could result in changes and additions to the ones listed (all of which would necessarily be considered through mandated statutory procedures).

Comments received related to the economy (steeper, longer recession reducing building permits below levels of the study assumptions), the magnitude of proposed fee increases, anticipated migration of construction to outside the City limits where fees are

Agenda Item: Public hearing on proposed water and wastewater impact fees

lower, and suggested review of projects in the Capital Improvement Program to be built in part or whole by impact fees to determine whether they can be deferred to reduce the fees. Attachment C ("Water and Wastewater Impact Fee Comparison" for various Arizona cities and towns), presented at the April 1, 2008, Council workshop, is provided again for reference. Water and wastewater systems infrastructure ages and complexities, water sources and costs of that water, and the regional contexts of these jurisdictions vary widely. Attachment C reflects what each reporting entity chooses to define as their single family residential "impact fee" (what new capacity costs they seek to recover), and should be viewed only as a rough indication of fee levels.

This Council memorandum has been distributed to the participants by hard copy and e-mail, to facilitate rapid distribution to their memberships. It is anticipated that representatives of these organizations will present and/or submit written comments and proposals to the Council at the July 22nd public hearing regarding the amounts, implementation timetable, and generation of alternative scenarios for these development fees.

CAPITAL IMPROVEMENT PROGRAM AND IMPACT FEES ORDINANCE

Following completion of the public hearing noticed for 3:00 pm, July 22, 2008, and subject to comments received and Council direction thereafter, the Capital Improvement Program and ordinance setting these impact fees could be presented for adoption at the Council meeting of August 26, 2008.

The timetable presented on Page 1 can be adjusted by the Council in the event additional information, analysis, workshops, and/or a new public hearing are determined necessary, as long as: (1) the CIP and ordinance adopting the new impact fees are considered not less than 30 days following the public hearing; and (2) the new impact fees become effective not less than 75 days after approval of the CIP and adoption of the ordinance.

- Attachments:** A – Water and Wastewater Development (Impact) Fees
B – Impact Fees for Single Family Residential Construction
C – Water and Wastewater Impact Fee Comparison

Recommended Action: MOVE to close the public hearing.

WATER AND WASTEWATER DEVELOPMENT (IMPACT) FEES
 (Proposed to become effective 11-9-08)

Water Meter Size (inches)	Water System Impact Fees		Water Resource Development Fees		Wastewater System Impact Fees *	
	Current	Proposed	Current	Proposed	Current	Proposed
5/8 x 3/4	\$ 5,389.02	\$ 6,209	\$ 4,944.71	\$ 4,594	\$	\$ 3,273
1	8,999.71	15,522	8,257.73	11,485		8,183
1 1/2	17,945.39	31,044	16,465.84	22,970		16,367
2	28,723.43	49,671	26,355.26	36,752		26,187

* The current "buy-in fee" is based on plumbing fixture units which vary by the project. Typical "buy-in fees" for a residence range from \$1,300 – 2,500 depending upon the size and design. "Buy-in fees" will be replaced by system impact fees.

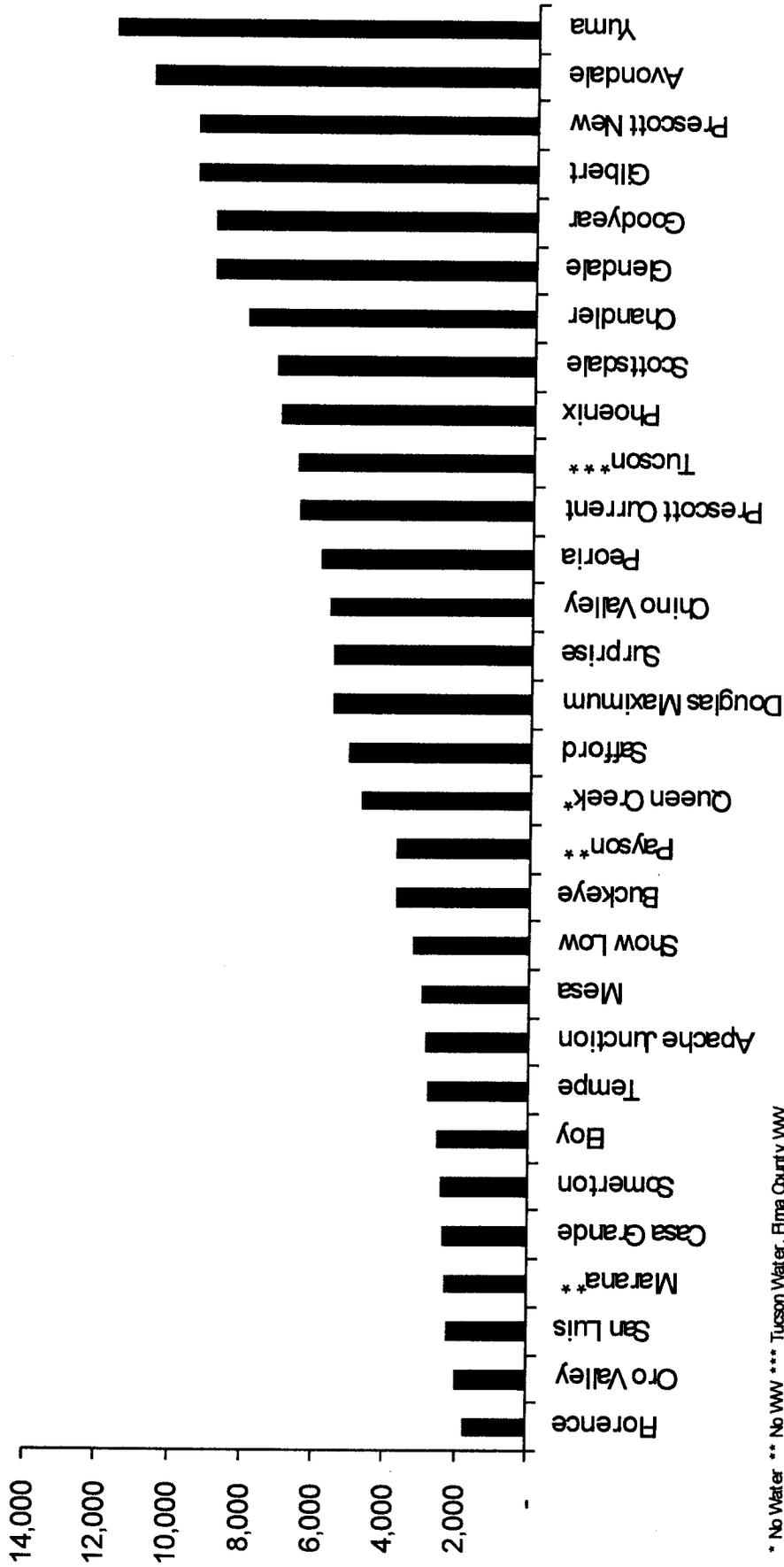
Notes:

1. In the event that a one inch meter is required solely as a result of a residence being equipped with an automatic fire sprinkler system, then and in that event the development fees to be assessed shall be based on a 5/8" x 3/4" meter size, provided, however, that this 5/8" x 3/4" basis shall not apply to residences 5,000 square feet or more in size.
2. In the event that an upsizing of meter size is required as a result of remodeling, renovation or expansion of a structure, the development fees to be assessed shall be the difference between the development fees for the upsized meter versus the development fees for the existing meter.
3. For water meters and/or service lines greater than two inches (2"), and for meters utilized for (nonresidential) irrigation only, the development fees to be assessed shall be determined by the Public Works Director on the basis of projected water use stated in gallons per day, using the following formula: Development fee = (fee for 5/8" x 3/4" meter) x (applicant's projected gallons per day water use ÷ residential equivalent unit water use of 235 gallons per day).
4. The water resource development fee for a multi-family residential project shall be calculated using the following formula: Water resource development fee = (water resource development fee for 5/8" x 3/4" meter) x (number of dwelling units) x 60%.

City of Prescott Impact Fees for Single Family Residential Construction

Development Fees	Per Residential Unit	
Fire Development Fee	\$ 525.00	
Police Development Fee	589.00	
Parks Development Fee	715.00	
Recreation Development Fee	401.00	
Library Development Fee	253.00	
Streets Development Fee	469.00	
Public Buildings Development Fee	275.00	
Subtotal	\$ 3,227.00	
Sewer		
Buy-In Fee (average - actual based on # of plumbing fixture units)	\$ 1,400.00	\$3,273
Water		
Meter Size	5/8" x 3/4"	
Water System Impact Fee	\$ 5,389.02	\$6,209
Water Resource Development Fee	4,944.71	4,594
Total Average Impact Fees for a Single Family Residential Unit	\$ 14,960.73 Current	\$17,303 Proposed

Water and Wastewater Impact Fee Comparison



* No Water ** No WW *** Tucson Water, Pima County WW

NOTE: water resource fees excluded due to insufficient data from other cities

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COUNCIL AGENDA MEMO –July 15, 2008	
DEPARTMENT: Public Works	
AGENDA ITEM: Request for authorization of application for a Transportation Enhancement Program request by Prescott Alternative Transportation Grove Avenue modifications.	

Approved By:	Date:
Department Head: Mark Neitupski	
Finance Director: Mark Woodfill	
City Manager: Steve Norwood <i>SNorwood</i>	<i>07/11/08</i>

Item Summary

This item is for consideration by Council for the authorization of an application by Prescott Alternative Transportation (PAT) to the Federal Highway Administration for a proposed Grove Avenue roadway project. If this application is approved it will be submitted to the Arizona Department of Transportation (ADOT) who administers the program.

Prescott Alternative Transportation’s application is for the modification of Grove Avenue from Gurley Street north to Sheldon Street from its current four lane configuration to a new three lane configuration (road diet) with one through lane in each direction and a center turn lane, and bike lanes. Other project elements include sidewalk and bicycle improvements, pedestrian crossing enhancements at Western Avenue through the construction of curb bulb-outs, and the improvement or reconstruction of the intersection of Sheldon and Grove to possible include a roundabout.

A discussion of the impacts, process and necessary steps needed to allow the City to participate as a sponsoring agency for a Federal transportation enhancement program (TE Program) is provided below. Additionally a summary of the current process to date is included. Each segment of the TEP process is highlighted below with its corresponding requirements.

TEP Basics:

- The TE program is not a grant program, it is a reimbursement program.
- Local TE Programs are identified as projects outside of ADOT right-of-way that are sponsored by a MPO or COG member agency and incorporate a local funding source.
- Any local government, group or individual may apply for enhancement funding. However, a governmental body must sponsor the project. This restriction is necessitated by project development and financial administration requirements.

Agenda Item: Request for authorization of application for a Transportation Enhancement Program request by Prescott Alternative Transportation Grove Avenue modifications.

- The TE Program provides funding for projects in any one of 11 eligible activities. These activities are intended to enhance surface transportation sites with specific focus on pedestrian and bicycle facilities, scenic highways, historic preservation, landscaping, and transportation museums. Proposed projects must fit these categories in order to be chosen by the selection committee. Any non-eligible element of the project can be included however it needs to be identified as separate in the cost estimate and paid for from a funding source other than the TE Program.
- The cap for individual local projects is \$500,000.
- The project must follow the National Environmental Policy Act (NEPA) process for federally funded projects. The process normally takes 36 months.

Budget Impacts:

- Program sponsors must be prepared to pay for ALL costs incurred and then request reimbursement.
- All projects require a minimum of 5.7% hard cash match.
- Local projects require the sponsoring agency to incur all stage 1 scoping costs which include a site topographic survey (2% -5% of constr. cost), preparation of a project assessment or DCR, an ADOT scoping review fee of \$5,000, and an environmental determination fee of \$20,000 to \$40,000.
- The project sponsor is responsible for the payment of costs above the approved amount in the event that a project's actual cost exceeds its approved cost.
- For projects using federal funds for design, the project sponsor must reimburse the FHWA for design funds expended if the project is not constructed.
- TE funds do not cover long-term maintenance.

Current Process Summary

The applicants project proposal is not currently complete and does not include enough information for the City of Prescott (sponsoring agency) to determine whether it can adequately accommodate the existing and future transportation needs, the impact to the fronting property owners and business tenants, if it meets the requirements mandated by the TE Program in regards to approved activities and if it is desired by the public.

Specifically the following items have not been fully addressed:

Agenda Item: Request for authorization of application for a Transportation Enhancement Program request by Prescott Alternative Transportation Grove Avenue modifications.

- The cost estimates are incomplete and need detailed engineering work to ensure all issues are addressed and the City will not incur any project overrun costs because of incomplete information.
- The applicant has not coordinated with the MPO and its representatives in a manner that allows them to confidently present the application to the review board as required.
- The Public acceptance and desire for the proposed improvements have not been addressed and are unclear.
- The proposed project and its corresponding elements appear to include some construction items that may fall outside of the approved list. These include a proposed roundabout or other intersection improvements. If this is determined to be the case the cost for these elements would rest fully on the City of Prescott as they are ineligible for federal funds.
- A study to determine the impacts of the road diet and intersection modifications on traffic capacity and the surrounding transportation system has not been completed and is not eligible for funding under this program. This information is needed in order to understand the impacts of the project and to mitigate any changes in traffic patterns and flows.

Conclusion:

Based on the information provided above it is recommended that the City of Prescott decline participation as the sponsoring agency at this time. The City of Prescott will continue to work with the applicant on refining this project for possible inclusion in the next TE Program cycle once all the required information and studies are complete and the proper public process steps, and public acceptance are realized.

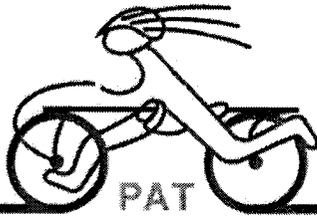
Budget

The City has not budgeted for the contributions required for this application in the current fiscal year.

Attachments

- (PAT) Grove Avenue Road Diet proposal

Recommended Action: Should the Council desire, **MOVE** to authorize staff to prepare the document for submittal.



Prescott Alternative Transportation

P.O. Box 2122, Prescott, Arizona 86302

Email: pat@prescottbikeped.org

www.prescottbikeped.org

(928) 708-0911

Grove Ave. between Gurley and Schemmer contains significant pedestrian/bicyclist trip generators: Prescott College, entry point to Greenways Trail System; one block to the east is Sacred Heart School; couple blocks to the south is Lincoln Elementary; there are many residences and small businesses; access to/from downtown shopping, restaurants, entertainment via Sheldon.

Primary Ideas for Proposed Redesign of Grove Ave.

- Road diet: four travel lanes to two; center turn lane and bike lanes on each side.
- Intersection/crossing improvements:
 - * At Western Ave. – curb bulbouts at crosswalk; higher visibility.
 - * At Sheldon St. – removal of all traffic lights, replaced with single lane roundabout (max. speed 10 mph); diversion medians on all intersecting roads.
 - * At Lincoln Ave. – landscaped median to replace center turn lane (paint a crosswalk here across median?); no left turn onto/out of Lincoln (except bikes). Extend south corner to decrease turning radius; retain existing curve on north side. High visibility crosswalk across Lincoln.
 - * At Schemmer Dr. – curb bulbouts at crosswalk. Add second crosswalk (northside) with bulbout on east and curb extension on west (to decrease turning radius). Upgrade pedestrian signals to same as downtown (no need to push button; countdown signal).
- Rebuild driveway/sidewalk at southeast corner of Grove/Sheldon and at convenience store at Lincoln/Grove. Currently, these driveways are too large and make it impossible to distinguish where sidewalk should be. Create smaller driveway entrances; may add landscaping.
- Landscaping: between Gurley and Sheldon approximately 10 new trees/shrubs (includes landscaping the new bulbouts at Western Ave.). Between Sheldon and Schemmer up to 40 new trees/shrubs (this stretch would have new landscaped buffer between road and sidewalk; space freed up by road diet). New roundabout could also be landscaped.
- Repair/improve sidewalks: several places have been noted for cracks in sidewalk large enough to create hazard for wheelchairs, etc. Sidewalk in front of college across from Lincoln in poor condition; drainage area here interferes with walking. Between Sheldon and Schemmer improve so that no sidewalks cross directly over driveways. Sidewalk/driveway at the sunglass shop needs improvement (somewhat similar to driveway/sidewalks mentioned above).

In pursuing a Transportation Enhancements grant, we may also want to include an education element in the proposal (this is encouraged in this grant category). Observing the bicyclists traveling through the Grove/Sheldon intersection (see below), education would be beneficial! Education on roundabouts would also be smart for this proposal.

Grove/Sheldon Intersection – Bicycle and Pedestrian Count

On Wednesday, October 17, 2007 I sat on the southwest corner between 12:30 and 1:30pm to record the number of pedestrians and bicyclists traveling through the intersection. The direction of travel and side of the road was noted for each pedestrian and bicyclist counted in order to provide the clearest picture of usage by these groups.

PEDESTRIANS

Street and Direction of Travel	Side of Street Traveled	
	West	East
Grove Ave. – north	7	1
Grove Ave. – south	8	2
	North	South
Sheldon St. – west	5	1
Sheldon St. – east	7	4

Number of pedestrians traveling through intersection of Grove and Sheldon.

A total of 35 pedestrians traveled through the intersection. All of them obeyed the signals. Problem: along Sheldon on the south side of the street, though there is sidewalk on the corners where pedestrians wait for the walk signal, leading away from the intersection in both directions the sidewalk abruptly ends. During this observation time, four of seven pedestrians traveling along Sheldon jaywalked in the middle of the block to the north side in order to access the only sidewalk on the street.

It was also noted that the walk signal, when pushed, makes a pedestrian wait a significant amount of time before it signals it is safe to cross. Additionally, once the walk signal was activated, it did not allow enough time for pedestrians to cross comfortably; most pedestrians during the observation time were seen running through the crosswalk.

BICYCLISTS

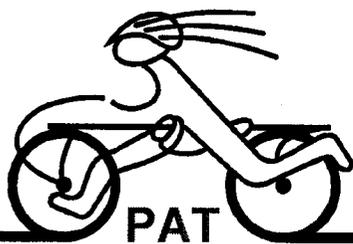
Street and Direction of Travel	Side of Street Traveled	
	West	East
Grove Ave. -- north	2	2
Grove Ave. -- south	3	6
	North	South
Sheldon St. -- west	4	0
Sheldon St. -- east	2	3

Number of bicyclists traveling through intersection of Grove and Sheldon.

Twenty-two bicyclists traveled through the intersection, six of whom rode on the sidewalk. All of them obeyed the signals. Those heading south on Grove on the east side of the street are traveling on the wrong side of the street. Likewise, those heading north on Grove on the west side of the street, and those heading east on Sheldon on the north side of the street, are also breaking the law. Most of the bicyclists crossed within the crosswalks; several walked their bike across. Only two bicyclists on Grove rode in the travel lane correctly; only one bicyclist on Sheldon utilized the travel lane as a vehicle, which is recommended by law, as this street is rather narrow. It is unclear whether bicycles are triggering the signals at the intersection.

The point to be made here is that 57 people traveling through this intersection were not accommodated as safely and conveniently as those who drove a car through it – and this reflects just one hour of one day.

Crash Data for Grove Ave between Gurley and Schemmer



Prescott Alternative Transportation

P.O. Box 2122, Prescott, Arizona 86302
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(928) 708-0911

Grove Ave. Transportation Enhancements Application Summary For City Council Study Session July 15th 2008 at 3:00, 201 S. Cortez

QUESTION TO CITY COUNCIL:

Whether to approve the application for approximately \$500,000 in federal Transportation Enhancements funds that otherwise would not come to the City, for needed bicycle and pedestrian improvements along Grove Ave. between Gurley St. and Schemmer Dr. This includes budget considerations from staff memo.

IMPORTANT NOTES:

- This application does not require design specifics to be in place.
- Any design specifics that have been offered are only as examples.
- This funding application will include funding for a feasibility study that will result in final design specifics. (PAT has a different understanding than Public Works staff on this point – that this application can fund such studies and we have colleagues who have received such funding through this funding program.)
- The only question before City Council is whether to approve the application for \$500,000 in new funding for bicycle and pedestrian improvements along Grove.
- Partners include: Prescott College, Dexter Neighborhood residents, Grove Ave. business owners, and PAT members.
- While the 2030 Regional Transportation study shows Grove at level F for traffic flow in the year 2030, current traffic volumes are dropping as bicycle and pedestrian safety remains compromised. Because roadway width will not change, restriping could easily happen if traffic volumes increase dramatically.
- PAT has all needed elements for this application and can complete the application within one week of receiving City approval to proceed with the application. This will be our thirteenth application for this federal funding since 1998, so we are well versed in the process (BTW – we have brought \$3.5 million in these federal funds to this area through these applications.)
- PAT must work with Public Works staff to finalize the cost estimate; we have requested this assistance (for this application) since February 2008.
- MPO (CYMPO) review cannot happen until City approval to apply has been received. PAT discussed this with Jodi Rooney on July 10th to confirm this sequence. The deadline to deliver this application for MPO review is Aug. 6th.
- If this application is denied by the City (this would be the fifth time, the first four denials were by staff), PAT requests funding from the City to cover the costs required to carry out the requests made by Public Works staff in order to move forward with such an application:
 - Completion of “required information” (staff will need to clarify; all we see as remaining is the cost estimate.)
 - “Studies” (again, staff will need to clarify.)
 - “Proper public process” (again, staff will need to clarify.)

BACKGROUND

1996: Prescott College included Grove Ave. bicycle and pedestrian improvements as part of their Preliminary Proposal for a Master Plan of their campus.

2003: Prescott Alternative Transportation (PAT), in partnership with Prescott College, identified Grove Ave. as a high priority for bicycle and pedestrian improvements, especially due to the high number of students traveling to and from Prescott College by foot and bicycle.

2004: PAT brought this recommendation to City of Prescott Public Works staff and began working on our first Transportation Enhancements funding application for Grove Ave. Staff stopped the application stating that the 2030 Transportation study would have to be completed first.

2005, 2006 & 2007:

- PAT again offered to do the application work, at no cost to the City, and were told that Public Works staff could not support it because the 2030 regional transportation results were still pending.
- PAT followed Public Works staff requests and gathered committed support from other partners besides Prescott College including Grove Ave. business owners, Dexter Neighborhood residents, and PAT members.

October 2007: In preparation for this application, PAT staff recorded bicycle and pedestrian counts and movements at the intersection of Grove and Sheldon.

February 2008:

- PAT staff discussed this application with Public Works staff.
- PAT staff and volunteers walked and analyzed the full stretch of the street noting specific safety issues for bicyclists and pedestrians on both sides.

March 2008:

- PAT staff presented our findings as well as potential solutions to the Transportation Coordinating Committee (TCC) specifically noting that this presentation was in preparation for a Transportation Enhancements application to fund the project. TCC offered support for the overall concept as well as advice on better design specifics. We adjusted our recommendations accordingly.

April – June 2008:

- PAT staff gathered needed elements for this application, including project specifics and letters of support, and repeatedly offered to assist Public Works staff with other needed elements for this application.

NOTE: all PAT staff time and materials over these five years of effort for this project have been paid for by PAT.

FOR FURTHER INFORMATION:

Sue Knaup, Chair of PAT's Action Committee: 541-9841, sue@onestreet.org

Lisa Barnes, PAT's Executive Director (out of town until July 18th): 708-0911, lisa@prescottbikeped.org

PRESCOTT CITY COUNCIL
REGULAR VOTING MEETING
PRESCOTT, ARIZONA
MAY 27, 2008

A REGULAR VOTING MEETING OF THE PRESCOTT CITY COUNCIL WAS HELD ON TUESDAY, MAY 27, 2008, in the Prescott Municipal Building, 201 S. Cortez Street, Prescott, Arizona.

◆ **CALL TO ORDER**

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

◆ **INTRODUCTIONS**

◆ **INVOCATION:** Pastor Warren Thompson of Prescott Community Church

Pastor Thompson was not present.

◆ **PLEDGE OF ALLEGIANCE:** Councilwoman Suttles

Councilwoman Suttles introduced the Prescott Police Officer who was “protecting the backs” of the Council, Kyle Schult, whom she explained has been a Prescott Police Officer for two years; he then led the Council and audience in the Pledge of Allegiance.

◆ **ROLL CALL:**

PRESENT:

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

ABSENT:

None

◆ **SUMMARY OF CURRENT OR RECENT EVENTS**

Mr. Norwood thanked everyone for a great turnout at the US Olympic Softball Team game held last weekend, along with a national tournament. He said that staff did an amazing job.

Councilwoman Suttles specifically thanked Debbie Horton and her group and the volunteers. She said that it was amazing that they had over 3,000 people, and it was done very professionally. She gave special thanks from the City Council.

I. PUBLIC COMMENT (Please limit your comments to five minutes)

A. Cathey Rusing re Pressure Zone 39 (Indian Hill).

Cathey Rusing, 1904 Young Place, addressed the Council, noting that she also owns 1010 Country Club Drive. She welcomed the new Mayor and wished him all the best.

Ms. Rusing said that she was before the Council because after the Lowe's Store, the City now plans to bulldoze the top of Indian Hill and place an 85' tall cell tower along with a new water tank. She said that Indian Hill is a prominent landmark in Prescott. She said that she attended a May 8 community meeting where it was well attended, but since the City planners didn't plan on bringing a PA system, they had a room full of elderly retirees that could not hear. She requested that the meeting be rescheduled and have it accessible to all.

Ms. Rusing said that she has a cell phone and she is not opposed to communication antennas for police, fire and public safety, but the three commercial leases they have, to Verizon, AT&T and Nextel, have nothing to do with public safety. She said that it is unlawful for cities to compete with the private sector; it is nothing more than a commercial venture in the middle of a residential area. She asked if the leases were put out to bid. She said that research has shown that property values will go down with those towers.

Ms. Rusing said that does not include having to live in the shadow of a 1.5 mg water tank. She said that according to the State Historic Preservation office, this is part of the viewshed of historic districts and cell towers are not permitted.

Councilman Luzius asked if they were going to reschedule. Mr. Norwood said they have Darrell Willis under presentations later that will have some information on this, but they can have another one at a different venue.

Councilman Roecker asked Mr. Willis if he would be addressing some of the questions. Mr. Willis said that he will be addressing some of the issues and getting the correct information out to the public.

B. Debra Kaukol re Pressure Zone 39 (Indian Hill).

Ms. Kaukol, 432 Shalamar Drive, said that she is an airline pilot and was a tanker pilot in the late 70's putting out forest fires in the area. She said that many people would have liked to attend the meeting today, but since it started at 3:00 p.m. they could not; she suggested they change their meetings to 5:00 p.m.

She said that the City of Prescott has taken a big risk in determining the desecration of Indian Hill along with the demolition of old growth forest from Montezuma through historic areas up to the hill. She said that the meeting on May 8 was scheduled after 60% of the design process was completed. She said that they were not only unprepared in the information but failed to answer important questions from the public. There was no model or drawings for the public to review with regard to whose property would be affected and what it would look like when standing at street level.

She said that there is a proposal to include a 80' cluster cell tower that would have a strobe on top. She asked if the FCC and FAA form submitted and if so they would know per FAA if the antenna tower is located in a residential neighborhood the Commission requires the application to prepare an Environmental Assessment. Mayor Wilson noted that there was not going to be a flashing light, or any light.

She said that the Commission determines significant environmental impact upon the human environment. Health concerns regarding cancers have never been ruled out by the medical community. She added that Larry King had a show on the dangers of cell towers that all might want to watch.

She said that this is called an upgrade project; they call it anything but that. It will scar the land that will be seen by tourists and residents driving westbound on Highway 69. She just received a note from someone driving from Groom Creek who said that they tried to imagine what it would look like to see a tower with a beacon on top of Indian Hill.

She said that the citizens of Prescott should be very concerned that their tax base and City budget has decreased, yet this ongoing proposal is going to cost in the millions of dollars of which no one has given an exact figure. The City of Prescott will need to budget millions of dollars in liability insurance. She said that the plan indicates that there will be drainage on Indian Hill, which could resemble the area behind Lowe's.

She said that the use of dynamite and earthmovers in the destruction of Indian Hill will destroy the balance of habitat known to the area.

She would like some answers from the City Council, Planning and Zoning, and everyone involved regarding the total cost and a timetable, as well as the other site proposals.

C. Colleen Wilson re American Youth Soccer Organization.

Colleen Wilson, 1265 Sylvia Road, said that she is a volunteer board member of American Youth Soccer Organization (AYSO), Region 172. She said that AYSO started in 1964 and it was chartered in Prescott in 1977 as a nonprofit organization and all volunteer organization, except at the national level.

She said that their upcoming fall season runs from early September until mid November, and it will be their 32nd year of youth soccer in Prescott at virtually no cost to the City. For liability purposes the City lines their fields, but other than that their region owns all of their own equipment and volunteers set it up and take it down.

She said that they host an annual Mile High Class Tournament the third weekend in April, with over 90 teams, coming from California, Colorado, Nevada, New Mexico and Texas, as well as the tri-cities and Phoenix areas.

She said that over the years they have had to turn away as many as 32 teams due to lack of facilities, fields and lodging. She said that they just held their 19th tournament in April, using every available park in the tri-city area. Upon reviewing information from the Parks and Recreation Department, they felt the need to bring to the Council's attention the incredible local economic impact that the tournament has on the City.

She said that the Parks and Recreation Department uses a formula to project local economic impact of the host area, along with additional input from the City's Economic Development Director. They determined that the Mile High Classic Tournament brought a local economic impact of \$1.8 million for the 2007 tournament. They don't have this year's figures yet.

She said that it is the single highest amount listed for tournaments and camps on the 2007 Report. She said that one tournament has a higher economic impact than all 11 ASA tournaments put together. It accounts for more than 25% of the total local economic impact for tournaments and camps for the City of Prescott. Their region has worked hand in hand with the City for years and they appreciate the City's support.

She said that tournament funds over the years have provided \$10,000 for lighting at Keebler Field; Prescott High School Boy's Soccer was given

\$4,000 for a trip to Louisiana; the funds began the High School Girl's Program and additionally funded other girl soccer programs in the area. They have given over \$32,000 to Prescott High School and counting; \$17,000 each to Bradshaw Mountain and Chino Valley High School, and they donate continually every year. The tournament also offers two \$500 scholarships to juniors and seniors that are pursuing higher education. They own all of their own field equipment, and purchased field equipment to the sum of \$12,800 for Parks and Recreation so they could begin their adult soccer league.

She said that they also support the Yavapai College Rough Riders and Coach Mike Pantlione and their youth soccer camps. She thanked the City and the community for their continued support, and urges anyone interested in volunteering for the organization to check their website at www.prescottsoccer.net.

D. Earl Burden and Harry Rossman re Willow Lake Beach.

Mr. Burden said that he developed the Willow Lake Beach, which he has been working on since 2004, and was also on the committee when they purchased the lakes. He said that he has brought with him today Harry Rossman to convey some of his concerns.

Harry Rossman, 2928 Horizon Hills Dr., said that two of the items in the current budget for consideration included two water parks. There are several considerations that should be examined before approving two water parks at a cost of \$27 million. Mr. Burden has a proposal which is more flexible and much cheaper to establish a beach and swimming area at Willow Lake, and an indoor Olympic size swimming pool at a location to be determined later. One initial consideration is cost, which for the beach would be around \$2 million. If they wanted to create a basic facility it would be around \$600,000. A beach area would be far more open to businesses in terms of cost, location than a fixed construction water park, and the City already owns the property. He said that the third consideration is demographics. The vision currently before the Council is a commercial facility similar to those in Phoenix; however the average is of the Phoenix population is 31 years old; in Prescott it is closer to 50.

In conclusion, Mr. Rossman said, Mr. Burden's proposal is cost effective, flexible in location and use and many are willing to donate materials and the work.

Councilman Roecker said that he has asked the Parks and Recreation Director to look into the possibility of developing something at one of the lakes with a "bladder" concept that allows use of water inside the area. Ms. Horton said that she is still looking into that possibility.

Mr. Rossman said that there was a communication from Linda Taunt to Mr. Burden dated 2005, that both of the water bodies are fully suitable for full immersion of the human body for swimming.

Mayor Wilson said that they have had ADEQ tell the City that the lakes are polluted. Mr. Rossman said that the communication is from ADEQ. Mayor Wilson said that communication must have come before they were told that they were polluted.

Mr. Rossman said that approximately 60% of their residential water is reclaimed and recycled back into the aquifer. He is willing to bet that a large percentage of that is shower and toilet water. What they are doing here in Prescott to make that potable process a good foundation.

E. Tammy Linn to introduce new Executive Director of the United Way.

Tammy Linn, 1401 Claiborne Circle, said that two years ago she took over as Executive Director of United Way, having 35 years of volunteer experience. She told the agency that she would do three things: 1) never lie to them; 2) always respect them and what they do; and 3) work harder than ever to make sure that the United Way was a stronger, more viable nonprofit for the community. She then reviewed some of their accomplishments. She said that it is now time for her to go back and teach Character and be a good community servant.

Ms. Linn then introduced Mike Whiting, the new Executive Director, who has a Masters Degree in Public Administration. He said that he has vast experience, is a wonderful fundraiser and she believes this United Way is going to make even greater strides.

Mr. Whiting said that he appreciated the kind words. He said that Ms. Linn has left United Way at a point where it can do more and more. He said that the City of Prescott has been very supportive. He said that listening to Ms. Linn at the Republican Women's meeting earlier in the day, he understands they have a lot of decisions to make, and he believes that United Way is in the same position. He said that they are counting on the employees of the City as well as the City Council to help them do that.

II. PROCLAMATIONS

A. May 27, 2008 as *ProRodeo Hall of Fame – Prescott Frontier Days Rodeo Day*

Councilwoman Suttles invited the Prescott Frontier Days group to come forward, at which time she read the proclamation proclaiming May 27,

2008 as *ProRodeo Hall of Fame – Prescott Frontier Days Rodeo Day* and presented it to the group.

III. PRESENTATIONS

A. Introduction of New Businesses.

Susan Cohen of the Prescott Chamber of Commerce introduced the following businesses, whose representatives then gave a brief presentation on their respective business:

- ▶ Jumpin' Juice and Java
- ▶ Krol Gallery
- ▶ Prescott Home Entertainment

B. Presentation of Preservation Awards.

Doug Stroh, Chairman of the Prescott Presentation Commission, thanked the Council for allotting the time and then presented two different types of awards as follows:

Preservation Award – for major/minor revocations:

Amtec Properties – 320 S. Cortez Street
Susan Perkins – 320 N. Mt. Vernon Avenue
Crisencia Properties LLC – 208 S. Cortez Street
Isabelle Rawlins – 316 S. Alarcon Street
John Underwood – 1103 Old Hassayampa Lane

Stewardship Award – good stewards of their houses:

Marshall & Nancy Dobrott – 306 Park Avenue
Linda Myers – 716 Country Club Drive
James & Ann Sult – 336 Park Avenue
Lois Streccius Trust - 1312 Oregon Avenue

C. Update by Jim Holt on the Big Chino Water Ranch project.

Mr. Holt gave an update on the Big Chino Water Ranch, focusing on the following:

1. *Application for Modification of Assured Water Supply.* ADWR has issued a second letter to the City requesting additional information regarding the groundwater model, and they are providing them that information. ADWR has stressed they will make their staff available on a priority basis to help the City overcome any issues. He said

that they knew this would be under scrutiny; the silver lining is that ADWR is committed to build a most complete record to help it accomplish and get past any objections that may be raised.

2. *Acquisition of Easements.* He said that there are 116 property owners over which they are attempting to acquire easements. The project letter and title reports have been prepared for all of the properties. Forty individual appraisals have been conducted and an appraisal workbook has been prepared for the remainder. 105 offers have been prepared and they have presented 93 to date, with 11 offers accepted, and 5 counteroffers. They are preparing for June to bring a number of ordinances to Council accepting offers for purchase of easements.
3. *Discussions re Regional Pipeline.* He said that discussions continue with Prescott, Prescott Valley and Chino Valley, including modifications to pipeline and pumping stations, alignment, location of well field and funding for project costs. They're next meeting with Salt River Project is in June.
4. *Public/Private Partnerships (P3).* These are contractual agreements between a public agency and private sector entity where the skills and assets of each are shared in delivery of the service/facility. Each party shares in the risks as well as the rewards. They continue to explore possible privatization of the Big Chino Water Ranch project. Prescott Valley is taking the lead in the development of concepts and documents and they anticipate being able to move this project forward.
5. *Re recent Habitat Conservation Plans presentations.* Key points to keep in mind is that at the time that Prescott and Prescott Valley purchased the ranch, they committed and they continue to commit, the appropriate resources necessary to address adverse impacts that may result from pumping from the Upper Big Chino reason, assuming such negative impacts can be documented and can be measured. No scientific information exists today that demonstrates that a direct reduction in the flow of Upper Verde River base flow as a result of their groundwater pumping in the Big Chino Water Ranch. Any incidental taking of any member of an endangered or threatened species under the Environmental Endangered Act has not been demonstrated. There is no evidence that base flow dependent habitat for any particular species will be adversely impacted as a result of the project. To commit to consultation with US Fish and Wildlife Service for preparation of a habitat conservation plan at this time, if not unwarranted, is certainly

premature. They will continue to work with US Fish and Wildlife and appreciate their assistance.

Councilman Luzius asked when the actual acquisition of the accepted easements would take place. Mr. Holt said that in June they will begin scheduling on the Council agenda items for authorization. Councilman Luzius said that it was his understanding that they were going to hold off on any expenditure until they were sure they can pump from the Big Chino. Mr. Holt said his direction from Council was that they would proceed with easement acquisition. Councilman Lamerson clarified that the construction contracts would not move forward until pumping was permitted; however, they would proceed with property acquisition.

Councilman Suttles said that she appreciates the monthly presentations, noting that it keeps them on top of where they are with the project. She said that maybe next time they could get a little more in-depth.

Councilman Bell asked Mr. Holt how much they have expended. Mr. Holt said that he did not have the exact number, but it is around \$32 million, including purchase of the property for the ranch, engineering and consulting work, which is divided with Prescott Valley.

Mayor Wilson recognized Yavapai County Board of Supervisor Carol Springer at this time.

D. Presentation re Public Safety Communications Infrastructure.

Emergency Services Director Darrell Willis said that last week at the Budget Meeting he gave a presentation on the public safety communications infrastructure, but he had added a few slides to indicate where Indian Hills was located. He then reviewed a PowerPoint presentation, Exhibit A attached hereto and made a part hereof.

He then directed his presentation to Indian Hill. He said that all of the tower areas are considered controversial because homeowners are not real excited about having towers in their areas. He said that the current tower is 70' high; they would like to extend that height to 85', but they would like to have all of the equipment located on one pole, rather than what they currently have with several poles. He said that if the community would rather have multiple towers, they would do that.

He said that they will not be doing anything until the tank site is completed because they want to be sure that it is done properly and they are able to fit their equipment wherever it is needed at that point.

Mr. Willis said that it is absolutely necessary to have a tower at the Indian Hills site for police and fire services and safety. A police officer cannot contact dispatch if he is in a bad situation on Copper Basin Road. It is a problem if a fire fighter cannot contact the hospital to get doctor's orders.

He said that a lighted beacon is not required. They checked it out with FAA and they would only have to get their permission if they were within 20,000 feet of any runway. Also, they are not going to be over 200' above ground level. He added that studies have shown that cellular sites do not affect public health.

Councilman Lamerson said that he lives in the Indian Hills area, too, and one of the things he has noticed in the last five years is that the water coming out of the faucet does not come out as much as it used to. While that concerns him, he is even more concerned with the ability of the Fire Department to deliver water in the case of a forest fire. He asked if the size of the tank has anything to do with the Fire Department's capability of servicing that area in the case of a forest fire. Mr. Willis said that it absolutely did.

Mr. Willis said that Prescott is divided up into pressure zones and the water department runs water around where it is necessary. Getting into their hot season, normally around the Fourth of July through the 15th is their peak water time. He said that he cannot tell them how many times the water department has called the fire department to lay hose thousands of feet from one hydrant in one pressure zone to the Indian Hill pressure zone to augment water during those times. They have to take a fire truck out of service to keep water on the south side of town. He said that is just for domestic use, much less a forest fire. He said that it is not the growth that caused that because 20 years ago they were doing that. He said that they have better capabilities than they have had in the past, but they don't meet the required fire flows.

Mr. Willis said that one of the questions was regarding MDC's (Mobile Data Computers) and AVL's (Automatic Vehicle Locators). He said that they are 25 years behind the curve; most departments have this capability, and that is one of the reasons they need to upgrade the infrastructure.

Councilman Roecker said that he asked Ms. Rusing to stick around and he was hoping to get a little more information about the water tank. He said that he was under the impression that the consultant they are using recommended a bigger tank than the one being put in. Mr. Ciaffoni said that was true; Carollo Engineers determined that a 2 million gallon tank was optimum. He said that once the 1.3 mg tank being proposed is installed, it will be six to eight feet higher than the existing tank.

Councilman Roecker said that he heard about the possible need for a new easement and asked if that was the case. Mr. Ciaffoni said that as presently conceived that would not be required. Councilman Roecker asked how much excavation was going to be needed. Mr. Ciaffoni said that they plan to lower the top elevation about four feet. He said that one fourth of the perimeter will stay the same contour as it is now, with a retaining wall to allow the pad on top to sit a little lower than the peak of the hill on one side.

Councilman Roecker asked if there was going to be one 85 foot tower with all of the equipment on it. Mr. Ciaffoni said that on the 85 foot tower there would be equipment for public safety and three cell providers (AT&T, Sprint and Verizon), and because of the vertical separation between the four entities, it required the 85 foot tower.

Councilman Lamerson asked what the rationale was for going with a smaller tank. Mr. Ciaffoni said that the 2 MG tank came about primarily about because of the volume of water that needs to be stored for fire suppression; however, they recognized early on that there would be an aesthetic concern.

Councilman Lamerson asked Mr. Ciaffoni if he was in Prescott when the Indian Fire happened. Mr. Ciaffoni said that he was not. Mayor Wilson said that they were trying to accommodate the neighbors when they reduced the size of the tank. Councilman Lamerson said that he understood that, but he would like to be able to accommodate them with water instead of a bunch of rubble when their houses burn down.

Mayor Wilson said that he understood that they could also put up two towers at a lower height if they wanted to. Mr. Ciaffoni said that was his understanding. Mr. Wilson said that from the standpoint of aesthetics, the City is willing to do landscaping, painting, etc. Mr. Ciaffoni said that there are a lot of possibilities.

Councilwoman Suttles said that there was reference made earlier to the City not learning their lesson from the Lowe's project. She asked if that mountainside was going to look like the one at Lowe's. Mr. Ciaffoni said that none of the excavation is going to result in a surface visible from any vantage point. It is just the top of the hill that has to be lowered a bit. Councilwoman Suttles asked about the historic preservation part of it.

Ms. Burgess said that based on the archaeological study which was recently prepared by EnviroSystems, she met with their archaeological consultant and they talked about the current fence line. She said that the site was bulldozed in the late 40's and early 50's for installation of the

original tank. She said that there is archaeological material on the hillside and there is a no-build zone that has already been defined where the City will not be working at all.

She said that they are going to fence the site, moving the fence, and when the posts are installed there will be a monitor on-site to make sure that when the drilling is done for the fence posts there are no cultural resource materials that are being disturbed or found. Once the fence is up, all of the work will occur within the fence line. At this current time, no one is of the opinion that there is any archeological material underneath the water tanks; it is off to the side, originally surveyed in 1935 and has been surveyed at least six times since then, including the most recent one. The fence line will be three feet away from any of the cultural resource materials. The property is located in a historic preservation overlay district and the project will be reviewed by the Preservation Commission whenever the City is ready to bring it to them.

Councilwoman Lopas asked the City Manager if the City has a portable PA system that could be used for the public meetings. Mr. Norwood said that they have typically used the school's equipment, but they could do it in the Council Chambers. He said that he believes it would be good to get the information out again and clarify some of the misinformation.

Councilwoman Lopas suggested that they have a visual drawing done by the City's computer department to show people what the hillside would look like afterward, like they showed with the Bradshaw apartments.

Mr. Ciaffoni said that they do have a second community meeting scheduled for July. Given the fact that it would take time to put the notice back in the paper again, he asked if the Council would consider that July meeting the second and final meeting, and perhaps accelerate it some. Council members agreed with that.

Councilman Luzius said that there have been a number of meetings where they have poor sound systems. He said that if they are going to conduct public meetings, they need to make them public and accessible. Also, he asked how much higher a 2 MG tank would be, or if they could dig deeper.

Mr. Ciaffoni said that he could not tell them that right now. He said that there is a practical limitation on how tall they can go. He said that 32' is what they have now and if they had to stay at 32', the diameter would have to be much larger so the top of the mountain would have to come down. Councilman Luzius said that he would still like to see that digitally.

Councilwoman Suttles asked Ms. Rusing to come forward to see if some of her questions were answered. Ms. Rusing said that she was very impressed with the direction being taken. She said that having the second meeting scheduled is a great idea. One of the main reasons for anxiety was the lack of elevations or artistic renderings showing what the tower and tank would look like. She said that as she drives down Willow Creek Road and looks at the Prescott Heights water tank with its huge cell tower, the anxiety level skyrockets.

IV. CONSENT AGENDA

CONSENT ITEMS A THROUGH J LISTED BELOW MAY BE ENACTED BY ONE MOTION. ANY ITEM MAY BE REMOVED AND DISCUSSED IF A COUNCILMEMBER SO REQUESTS.

COUNCILWOMAN SUTTLES MOVED TO APPROVE CONSENT AGENDA ITEMS IV-A THROUGH IV-J; SECONDED BY COUNCILMAN BELL; PASSED UNANIMOUSLY.

- A. Approve Police Department application for grant funds to the State of Arizona Department of Homeland Security in the amount of \$492,035.00 to purchase a Mobile Emergency Incident Command Center Vehicle.
- B. Approve Police Department application to the State of Arizona Department of Homeland Security for grant funds in the amount of \$240,000.00 to purchase a Special Weapons and Tactics Armored Emergency Response Vehicle.
- C. Adopt Resolution No. 3889-0857 – 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 Federal Aviation Administration (“FAA”) establishing criteria for the construction and operation of certain FAA facilities and authorizing the Mayor and staff to take any and all steps necessary to accomplish the above.
- D. Adopt Resolution No. 3890-0858 – A resolution of the Mayor and Council of the City of Prescott, adopting a Council policy regarding certain fees at Ernest A. Love Field and Rescinding Resolution Numbers 3410 and 3419.
- E. Approve an agreement with Coe and Van Loo, L.L.C., in an amount not to exceed \$35,000.00 for preparation of a land use master plan for the West Airport General Plan major amendment.
- F. Adopt Resolution No. 3891-0859 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona amending the General Plan Land Use Map pertaining to that certain property located at the southwest corner of State Highway 89 and Prescott Lakes Parkway

described as parcel numbers: 105-09-295A and 105-09-005C, from “Low-Medium Density Residential” to “Commercial/Employment”; and a portion of parcel number 105-04-003D, from “Commercial/Employment” to “Low-Medium Density Residential”.

- G. Adopt Ordinance No. 4645-0847 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, amending Title X, Land Development Code, of the Prescott City Code by adding to Table 6.2.3, Off-Street Parking Requirements, and Table 11.2.5, Definitions, thereto.
- H. Adopt Ordinance No. 4653-0855 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, authorizing the purchase of real property from Galpin Gregory Test TR UI for right-of-way to relocate a traffic signal pole at the northwest corner of the Willow Creek Road and Sandretto Drive intersection, and authorizing the Mayor and staff to execute any and all documents to effectuate said purchase.
- I. Award of contract to AES Precast Company Inc. in the amount of \$51,270.00 for the purchase of a precast chlorine storage building for water production operations.
- J. Approve the Minutes of the Prescott City Council Regular Voting Meeting of April 22, 2008, and the Study Session of May 6, 2008.

V. REGULAR AGENDA

- A. Public Hearing and consideration of a liquor license application submitted by Nick Alexander, Agent for C Stop, LLC, for a Series 10, Beer & Wine Store, license for C Stop located at 335 Grove Avenue.

City Clerk Elizabeth Burke reviewed the application submitted by C Stop at 335 Grove Avenue. She indicated that staff had requested that a representative be present at the meeting; however, it did not appear that they were.

Councilwoman Suttles said that she believed that when a business is requesting a liquor license the applicant should be present. Councilman Luzius said that he agreed and he would be voting no if they could not attend.

Discussion was held on the possibility of postponing the public hearing; Mr. Kidd said that it would need to be rescheduled for two weeks from today.

Councilwoman Lopas asked if they are required to be present. Mr. Kidd said that legally they do not have to be present. Councilwoman Suttles

said that if the Council sees fit to vote on it that is fine; she didn't see tabling it. She said it is for a new business and asked how much time it could take to attend when there could be questions since it is located on the corner of Lincoln and Grove.

Councilman Lamerson noted that they are not issuing a liquor license; they are voting to make a recommendation to the State Liquor Board. Mr. Kidd said that the Council does have the ability to recommend approval or denial.

COUNCILMAN BELL MOVED TO POSTPONE CONSIDERATION FOR TWO WEEKS; SECONDED BY COUNCILWOMAN SUTTLES; PASSED 5-2 WITH COUNCILMEN LAMERSON AND LUZIUS CASTING THE DISSENTING VOTES.

- B. Adoption of Ordinance No. 4652-0854 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, abandoning a portion of an existing alley right-of-way between the Smoki Museum and the Citizens Cemetery north of Gurley Street.

Councilman Luzius said that since the last meeting he has had the opportunity to speak with the principals of the Smoki Museum and he has no problem with recording the deed.

COUNCILMAN LUZIUS MOVED TO ADOPT ORDINANCE NO. 4652-0854; SECONDED BY COUNCILMAN BELL; PASSED UNANIMOUSLY.

At this time Ms. Burke reported that the applicant for the prior liquor license application had returned to the meeting.

COUNCILMAN BELL MOVED TO RECONSIDER ITEM V-A; SECONDED BY COUNCILMAN ROECKER; PASSED UNANIMOUSLY.

Councilwoman Suttles said that she appreciated the applicant attending the meeting.

There being no public input, **COUNCILMAN LAMERSON MOVED TO CLOSE THE PUBLIC HEARING; SECONDED BY COUNCILMAN BELL; PASSED UNANIMOUSLY.**

COUNCILMAN LAMERSON MOVED TO APPROVE THE LIQUOR LICENSE APPLICATION SUBMITTED BY NICK ALEXANDER, AGENT FOR C STOP, LLC, FOR A SERIES 10, BEER & WINE STORE, LICENSE FOR C STOP LOCATED AT 335 GROVE AVENUE; SECONDED BY MAYOR WILSON; PASSED UNANIMOUSLY.

C. Granite Dells Estates:

Mr. Guice said that the first part of this item is the ordinance that would rezone about half of the site into various categories presented last week. The second portion relates to approval of the preliminary plat, which includes a couple of waivers. He said that the waiver regarding grading is actually a waiver of process as it is not the City Council's purview to approve mass grading as it is permitted within the LDC for commercial and industrial properties. He said that there is a specific requirement that the grading plan would be submitted and viewed by the Planning and Zoning Commission and the City Council in the event of proposed mass grade. At this point in the process, there is a conceptual grading plan, but nothing to a point that has been brought forward as part of the preliminary plat approval process, hence the request for a waiver from that requirement.

Councilwoman Suttles said that she had requested this be pulled from the consent agenda because they have been looking at this annexation for quite a long time and even into last week not all of their questions had been answered.

Councilwoman Suttles said that they previously had discussed the zoning of the properties, with 190 acres for one rezoning, 155 acres for another. This is the first move that they are doing on this property, and she just wanted to look at the rezoning on those pieces again. She said that the zoning is not an issue for her right now, but the waiver is.

Councilman Luzius said that he wants to talk more about the waiver as well. He said that there is no reason why they have to have it. They could still come back and get approval for mass grading. Mr. Guice said that the language in the Code is that the grading plan would be submitted and run through the approval process with the preliminary plat, so if there is an interest in seeing the grading plan prior to preliminary plat approval, then they would not want to approve the preliminary plat until that time.

Mayor Wilson said that one thing they should learn coming out of this is that they touch base with the Open Space Acquisition Committee and look at their recommended revisions to the PAD regulations.

Mayor Wilson said that he would like to see the grading now with the preliminary plat. The Council wants to participate as much as possible and since they approved the Development Agreement, they want to have their say on the whole project.

Councilman Roecker said that he wasn't at the meeting last week and he found it interesting how many e-mails he had received about the "mass

grading” discussion held last week. He said that they are very sensitive with that wording because of what has happened in the past. Mr. Gisi said that their goal is to over-disclosure; they are asking for flexibility to grade in the southeast portion of the property, but it is not something that they are saying is eminent. Other areas of the property will be mass graded. In an attempt to disclose to not only the Commission, the Council, but also the public, they brought it up.

Councilwoman Suttles asked Councilman Roecker if he wanted to go over any of the zoning or if he was comfortable with what he had. He replied that he was okay.

1. Adoption of Ordinance No. 4651-0853 – 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 generally located south of State Route 89A, east of the Peavine Trail, and commonly referred to as Granite Dells Estates, consisting of approximately: 189.8 acres from RE-2 to SF-35; 92.20 acres from RE-2 to SF-9; 34.1 acres from RE-2 to MF-M; 155.3 acres from RE-2 to BG; 72.8 acres from RE-2 to IG; 10.1 acres from RE-2 to IL. RZ08-002

Steve Blair, 1802 Northside, said that he respects Mr. Gisi as a developer, but he would caution the Council about the mass grading, noting that one of the reasons it is in the Code is because of Neal Klein mass grading a hill in Prescott View North. Mr. Kidd noted that all they are addressing at this time is the rezone.

COUNCILWOMAN SUTTLES MOVED TO ADOPT ORDINANCE NO. 4651-0853; SECONDED BY COUNCILMAN BELL; PASSED UNANIMOUSLY.

2. Approval of Preliminary Plat for Granite Dells Estates. PP08-002

Mayor Wilson said that he believed he had heard a general comment that they want to see a grading plan associated with the Preliminary Plat before they are willing to move forward.

Councilwoman Lopas said that she wouldn't see a reason for mass grading with the lot sizes on the southeast portion. They have many other subdivisions in town with smaller lot sizes that did not require mass grading. She said that she welcomes developers to come here as long as they do what the citizens of Prescott want to do, and if something like not building on slab is something good for the land, that is what needs to be looked at. She said that she understood the commercial and affordable housing areas needing

mass grading, but she is not comfortable with the one area having it.

Councilman Lamerson said that he respects Mr. Blair's comments regarding the drainage issue; it has been a plague throughout the community. He said that perhaps within the process of moving through this they could get that addressed.

Mr. Guice said that the soil and erosion controls put into place last year, they are paying attention to drainage from lot to lot. They do not have regulations on the books, because that is primarily a civil matter between property owners, but when the subdivision is being developed, they are looking at that. Mayor Wilson asked if that is a consideration at the preliminary plat stage; Mr. Guice replied that it is probably more of a final plat issue.

Councilman Lamerson said that if they get to a point where it is in substantial compliance with the preliminary plat stage, they don't have a choice at the other end, so they need to resolve it now. Mr. Guice said that they cannot look at it until the engineering is done, and that typically is not done until later in the process.

Mr. Gisi said that he agreed with Mr. Guice, but they have no problem with addressing it lot to lot. In their definition of what mass grade would be it would include that.

Councilman Bell asked if the final plats would come to the Council one at a time, after going through Planning and Zoning first. Mr. Guice said that was correct. They will not be doing a final plat for the entire site; it will be done in phases.

Mayor Wilson said that the real issue is the one brought up by Councilman Lamerson; they really only have negotiating power at the preliminary plat because as soon as it is approved, if the final plat is in substantial compliance then they are bound to approve it.

Councilman Luzius said that his understanding was that the plats were supposed to go back to Planning and Zoning. Mr. Gisi said that it is correct; the Planning and Zoning Commission approved the preliminary plat and sent it forward to the Council with a recommendation that all final plats go through Planning and Zoning prior to going to Council. There could be 10 different instances, or 3; the waiver to the subdivision requirement in the code allows them to bring them back out of order and most likely it would be in batches that they would final plat sectors.

George Seaman, 1830 Idylwild Hill, said that it sounds like they are talking about two different issues. By combining them they are putting people in a jam to approve both of them and he wonders if it is feasible to engage the mass grading issues as separate issues, and have the Council vote on each one separately. Council clarified that was what they were doing.

Leslie Hoy, 1880 Coyote Road, asked if they were considering the preliminary plat. Mayor Wilson said that if they approve the motion as laid out, they are giving up their ability to look at the drainage issue, so they need to look at it as a term of condition for approval of preliminary plat. He would want to modify the motion that says they are only going to approve it after they have a grading plan that has gone through Planning and Zoning.

Ms. Hoy said that it is cheaper for the developer to mass grade, but the Council represents the interests of the public, and as a member of the public before she would want mass grading approved, she would like to know the benefits of allowing the developer to mass grade some beautiful land.

Mr. Guice said that the subdivision process the State of Arizona does not require commercial and industrial properties to go through that process; the City of Prescott does. There have been a number of times over the years that commercial and industrial projects have been given exemptions from that process. The developer is requesting an exemption from a submittal requirement with respect to approval of the preliminary plat. Without approval of that waiver, the only option is to wait until the preliminary plat has been prepared with the associated grading plans.

Councilman Bell asked if they cause an extra problem for the developer if they deny the motion. Mr. Kidd said that he cannot speak to the developer, but they have a submittal requirement that needed to be made. If it is not made, it is up to the Council to waive it.

Mr. Gisi said that he thought the preliminary plat was going to be approved with the condition that they need to bring in a grading plan prior to grading anything, to coincide with final plat, because they don't know how that will happen. Mayor Wilson said that there is a fallacy in that approach in that Arizona Revised Statutes states that if they approve the preliminary plat, and they bring in a final plat that is in substantial compliance with it, they are stuck, regardless of what they say verbally.

Mr. Gisi asked if their intention was to vote down the preliminary plat request. He said that they are 2 ½ years into a process with the City and their project is in substantial conformance over those 2+ years. Time is money and they are trying to bring this to a successful conclusion. The request made does not seem that unreasonable. It seems that the grading plan has to be approved before a final plat in order to pull a grading permit.

Mr. Guice said that once a preliminary plat is approved, the grading plan can be submitted in its final form and administratively reviewed and approved without the Council seeing it.

Councilwoman Suttles asked Mr. Gisi why they didn't produce the grading plans. Mr. Gisi said that they submitted them conceptually, but not anything that was permit-worthy, which is what they thought was required of them.

Councilwoman Suttles asked if there are other developers that come in without all of the information and are allowed to start. Her concern is that they see what they are grading. She asked if they could take out the waiver. Mr. Guice said that a couple of projects come to mind where they did mass grading, such as on the south side of Prescott Lakes. He said that the Code is structured so that they need to approve the waiver as part of the preliminary plat or request that the applicant prepare something other than conceptual grading plans for the Council's consideration at the time they consider the final plat.

Rick Radevich, 3200 Lakeside Village Drive, said that the submittal they worked on for the last year has all of the things together that the City required them to do. He said that Public Works had a long list and they accepted that at the time of submittal. It has gone through the process for the last three to four months, and now they are being told that they didn't conform to the rules.

Mayor Wilson said that if they had done everything they were supposed to do, they would not be asking for two waivers. Mr. Radevich said that they submitted everything required on the list.

Mr. Guice said that in the conversations staff became aware that there wasn't going to be enough time to get a detailed plan completed and have it final, hence the idea of a waiver for that requirement to keep the project moving forward. An option would be to approve the preliminary plat, but require the grading plan to come back to Council prior to issuance of grading plan.

Mr. Gisi asked if he could just pull the mass grading aspect, understanding that per the City's process, he has to produce it at each final plat anyway.

Councilman Roecker asked if they could consider the detailed grading plan a substantial change to the final plat, then they could do it that way.

Councilwoman Suttles asked if they could table this until they clear up both sides. Mr. Gisi said that he would pull the mass grading off the table; that gives the Council the control they are looking for. Mayor Wilson said that it does not give them the control. Their control is at the preliminary plat stage. They don't have the ability to turn down a final plat if it is in substantial conformance with a preliminary plat.

Len Scamardo, Planning and Zoning Commissioner, 314 Double D, said that the large engineering maps showed four items marked that said mass grading in Phase 1, 2 and 3, totaling about 400 acres. He said that the phases 3, 4, 5, 6 and 7 were the ones that specifically stated mass graded, 99 acres, phase 3, so many lots phase 4, etc. They had no problem with the commercial being mass graded, but the mass grading on the residential areas are in direct violation of the Land Development Code. So, if they allowed the plat to be submitted with those engineering markings, they are saying they are giving them a waiver and they could mass grade. They wanted in the Commission to have those notations removed from the preliminary plat.

Their recommendation is that they approve the preliminary plat, and they would still have to go back to the Planning and Zoning Commission and the Council for the final plat, but they eliminate the waiver of the mass grading on that portion of the residential, and to take the notations off the preliminary plat regarding mass grading.

Mr. Guice said that the motion provided mirrors the Commission's recommendation; it does not include any of those portions that are residentially zoned, to include the waiver for the submittal.

Mr. Blair said that after being on the Planning and Zoning Commission for four years, if Mr. Gisi wants to amend his motion for a straight preliminary plat, if they come back with a final plat that has mass grading, that is a substantial change that would require it to go back to the Commission and Council.

Mr. Kidd said that in order for them to consider this, there is a waiver that has to be done to the submittal requirements. It looks like there are some plat notations that need to be considered. If they had as a condition of the approval that it had to come back to the Council, and no grading is approved at this time, that would be a substantial change. However, the initial issue is whether the submittal requirements were met.

Mayor Wilson suggested that no mass grading until final plats come back to the Council and all annotations on plat drawings will be removed referring to residential mass grading. Mr. Gisi said that he would agree to that. Council agreed. Councilwoman Suttles asked if that was clean to the developer and to the City.

Mr. Gisi said that he is required to go to Planning and Zoning on every plat anyway, so he is not losing time.

Mr. Kidd suggested the following: **MOTION TO APPROVE THE PRELIMINARY PLAT FOR GRANITE DELLS ESTATES TO INCLUDE A WAIVER OF LDC SECTION 9.10.9.A.7.B REQUIRING FINAL PLAT SUBMITTAL WITHIN ONE YEAR; ANY AND ALL FINAL PLATS ARE TO BE REVIEWED AS A CONDITION OF THE WAIVER BY THE PLANNING AND ZONING COMMISSION; ALSO APPROVING A WAIVER TO LDC SECTION 9.10.9.G ALLOWING FOR GRADING AND SITE DISTURBANCE ON COMMERCIAL AND INDUSTRIAL TRACTS A, B, C, D AND E AND THE WELL AND TANK SITES TRACTS G AND H, AND UTILITY EASEMENTS TO ADJACENT PROPERTY BE SHOWN ON THE PRELIMINARY PLAT; THIS WAIVER IS EXPRESSLY CONDITIONED UPON REMOVAL OF ALL TERMS ON THE PRELIMINARY PLAT SUBMITTED PERTAINING TO MASS GRADING AND UPON THE EXPRESS CONDITION THAT ANY AND ALL GRADING PLANS BE SUBMITTED BOTH TO THE PLANNING COMMISSION AND TO THE COUNCIL AS PART OF ANY FINAL PLAT APPROVAL.**

Mr. Gisi said that he thought they were talking about only the residential areas, Phases 1, 2 and 3. Mayor Wilson said that they are talking about having some ability to control the grading as it comes back. Mr. Gisi said that the LDC allows him in the industrial and commercial areas. Mr. Kidd said that he included the waiver on the commercial and industrial areas and if they wanted to further modify the motion to make it real clear that the plats that come back pertaining to mass grading in residential, he would have no

problem. Mr. Gisi said that he would. He said that he was okay with it as stipulated with the residential coming back and their rights under the LDC on the commercial and industrial, which is what Mr. Kidd stated, as well as the removal of the annotations.

COUNCILMAN LUZIUS MOVED TO APPROVE AS STATED (ABOVE); SECONDED BY COUNCILMAN ROECKER; PASSED UNANIMOUSLY.

- D Public Hearing and consideration of Ordinance No. 4650-0852 - An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, amending Title II, Chapter 1 of the Prescott City Code regarding the imposition of sewer fees and alternate water sources fees.

Mr. McConnell said that this was a scheduled public hearing and consideration of an ordinance adopting water and wastewater rates. At last week's meeting, discussing of this item was concluded with direction to bring back two alternative ordinances for consideration. The packet includes the two alternate ordinances were provided and additionally there is information regarding the differences of those items.

Mr. McConnell said that Version B of the ordinance would add a tier to the water charges, increase rates for the top two consumption blocks and provide a tiered structure for the Alternate Water sources fee. Additional comment with respect to introducing an alternate version at this point in the public process is that it is the conclusion of staff and the City Attorney that if the Council was to move toward Version B, it would require re-noticing water charges and alternative water sources fee, and the tiering of the alt water fee for a new public hearing.

Also in the packet is the recommendation of the Water Conservation and Safe Yield Committee. Staff met with representatives of the committee and discussed what they believe is a mutually acceptable plan, which they recommend to Council at this point, which is recommending Ordinance Version A with some qualification and additional information. It is their recommendation that public input be taken today and following the hearing and based on and reflecting on that input, that the Council adopt Ordinance Version A, adding a few last minute wording changes that are nonsubstantive.

Staff has committed to preparing a letter to be sent to high-consumption residential customers, which was the basis of the Committee's concern, to alert these customers to their water usage, and encourage them to contact the City and work with the conservation people.

Additionally, staff has committed with the Committee to define several scenarios addressing the high-consumption residential accounts and the tiering of fees. Those scenarios would be referred to the rate consultant, Ecnomists.com, to have them model the effects of what they might be, which would provide a basis for modifying rates for high consumption residential customers.

There will be some time required for modeling and notification to the high-water users and would recommend that the Council adopt the Ordinance, and these other things would be done and brought back probably not later than a year from now, with the benefit of this summer's peak demand and have a much stronger basis for the recommendations.

Mr. McConnell said that with respect to sewer rates, they did receive a letter today from Pure Wafer, who uses a substantial amount of water. Upon receipt they did make some analysis of what the modification in their sewer rates would be, and that has been provided to them, and it is staff's understanding that they now have a better sense of what their sewer fee would be.

Councilman Roecker asked who is going to write the letter to the large-water consumers. Mr. McConnell said that it is the City's responsibility to do that, in coordination with the committee. Councilman Roecker asked if the Council could see it before it is sent out. Mr. McConnell said they would do that.

Mayor Wilson, in regard to the letter, said that they also talked about including in the letter their water uses for the last two years and why they are asking questions. Councilman Roecker said that was fine.

Councilman Roecker asked the Committee members to discuss their thought process to have almost a 100% increase on water consumption over 14,000 gallons for residential use.

Howard Mechanic, 309 Bloom Place, Co-Chairman of the Committee with Dr. Crews (who had been present for 3 ½ hours but had to leave), said that he thinks there was a misunderstanding about Version B of the Ordinance, as it was not a recommendation of the Committee. The Committee had asked for different models to be run and suggested different numbers to see if they would be advantageous to encourage conservation. They did not have time to integrate with the study. They support the suggestion that they approve Version A, and support working on dealing with the high water users and try to educate them.

Councilman Roecker asked how they got to Version B. Mayor Wilson said that it came to the front very late. He believes there was some

miscoordination from the meeting they had in his office prior to the Council meeting which touched on the process they would like to use in the future, continuous process improvement.

Mr. McConnell suggested that any public comment be taken during the public hearing, after Mr. Jackson gave his presentation.

Mr. Dan Jackson, Managing Director of Economists.com, thanked the Council for the opportunity to provide his PowerPoint Report, attached hereto as Exhibit B, and covered the following:

- ▶ Presentation Format
- ▶ Rate Comparison
- ▶ Volume and Account Forecast
- ▶ Capital Improvement Plan
- ▶ Total Revenue Requirement
- ▶ Proposed Rate Plan
- ▶ Presentation Summary

At this time, Mayor Wilson opened the public hearing.

Jerry Winters, 250 Golden Eagle Drive, said that as a resident he has no problem with the rate increases. As a business manager in Prescott, he does have concerns. He said that he is one of the lucky ones that will only have a 36% increase. His biggest concern is that they need more time before approving this to let the business community look at it. Today was the first day he heard what his rates would be. He said that according to the information, the School District will see a 300% increase; the college is 300%; the hospital has 250%.

Mr. Woodfill said that their initial presentation was held on April 1, and notices went out in the water bills and have been posted on the website, and in the newspaper. Mr. Winters said that until today he didn't realize the percent of increases.

Mayor Wilson said that if they look at the methodology, if they don't raise the rates and continue the prior situation, the residential customers would continue to subsidize the commercial businesses.

Mr. Winters said that he understands that rates do need to go up, but he thinks they should let the public see the rate increases. Councilman Roecker asked what would happen if they waited. He said that it is going to be a tough pill no matter when they raise them. They have not had a rate increase on sewer since 1991.

Mr. Winters said that on another note, he appreciates the support of the Council and staff given to Pure Wafer over the years.

Howard Mechanic, 309 Bloom Place, said that, speaking as an individual, he disagreed with the presentation when the consultant said that a 5% reduction in per capita use over a ten-year period is an aggressive goal. He said that over a ten-year period, if Prescott did what other communities did, they could easily conserve 15-30% per capita. It may not be easy; it would take some effort. The Committee will come back in the future and ask what the Council would like to see in conservation.

Mr. Mechanic showed a slide to demonstrate a 25,000 gallon tank, which is what some residents are using. He said that if someone worked a 9-5 job, five days a week, and when they started their job they turned their shower on and turned it off when they got home, they would not use 25,000 gallons. It would be around 20,600 gallons. His point is that these show the need to justify the higher users having a higher rate.

Mr. Mechanic said that they need to address the safe yield issue, and to give an example he would comment on someone using 25,000 gallons of water. He said that if they divide up the safe yield groundwater in the AMA, it is around 8,000 to 12,000 ac. ft. a year. If they divide that by each individual, there would be about 1,000 gallons in a month. So, if there is a family using 3,000 with 3 people, that would be their safe yield groundwater. If they are using 25,000 gallons in a month that means that almost 90% of the water they use represents an overdraft. That is why they need an aggressive conservation program.

Dave Maurer, 117 Goodwin, said that seeing the numbers today, he realizes that they have been talking about this issue for awhile, but he remembers last time the rates were increases they did a lot of education of the public before it happened, and perhaps that was lacking this time. He does agree with Councilman Roecker that the end result will be the same, and it is not a question of changing rates, as much as the the lack of communication they had a year ago.

There being no further public input, **COUNCILMAN BELL MOVED TO CLOSE THE PUBLIC HEARING; SECONDED BY COUNCILWOMAN SUTTLES; PASSED UNANIMOUSLY.**

COUNCILMAN BELL MOVED TO APPROVE ORDINANCE NO. 4650-0852 VERSION A; SECONDED BY COUNCILMAN LAMERSON; PASSED UNANIMOUSLY.

- E. Discussion of consolidation of Verde River Basin Partnership, Yavapai County Water Advisory Committee, and Upper Verde River Watershed Protection Coalition.

Mayor Wilson said that this had been discussed last week and was brought back because Councilman Roecker was not able to participate. Councilman Luzius said that not much had changed since last week. He had brought this forward last week to discuss the possibility of joining entities to eliminate duplicate efforts. He said that the federal government dealt them a dirty deck with the land swindle where they promised them \$8 million and gave them nothing. Mayor Wilson noted that they were not going to vote on anything; just allow for discussion.

Councilman Roecker said that he has written some comments in response to each of Councilman Luzius's comments from last week, which he then reviewed:

Eliminate duplication of efforts. He is unaware of any duplication of efforts; if there is, he would like to know. All studies completed by the Water Advisory Committee or Coalition are public. They are discussed in a public forum and approved by vote or consensus. He would doubt that members of the Verde River Basin Partnership would not be aware of the studies.

One organization is looking for volunteers that may exist in another group to work with an issue. He does not know of any restrictions on anyone to volunteer for a work group, study or assist on any issues, including issues relating to those appointed to a Technical Advisory Committee.

Losing sight of very thing each group has set out to do. He is not convinced that WAC or the Coalition has lost sight of their objectives.

Goals of groups being in jeopardy. He doubts that any of the organizations believe its goals are jeopardized by the existence of another organization.

Push back and dissention between groups is increasing. He said that Prescott and Prescott Valley have signed a 200-year agreement for their communities to provide water to their citizens, and the agreement shows a high level of cooperation. Also, they are working with Chino Valley and he is hopeful that results will be seen with them also. They also invite Dewey-Humboldt and the Tribe in all discussions they have.

SRP has now threatened to sue. He said that most entities reserve their right to sue. The public should know that the SRP representatives attend and are always welcome to be present when the WAC or Coalition organizations are meeting. He commented on a report that Councilman

Bell had read over the weekend, written by Bruce Hallan of the SRP Water Business Development area, who said, "growth outside our territory--it is in our best interest to work with those entities to help them however we can to make sure they have a reliable water supply." To him, he finds that to be an indication that they want to cooperate, not fight with them.

ADWR is being dragged into our issues. He thinks that their participation is appropriate and he hopes their representatives don't feel they are being dragged in. They are legislatively empowered to play a role in water planning in the State and he would not only invite their participation, he is grateful to their commitment to assist them. Also, he believes it is good that US Fish and Wildlife and other entities know what the City is doing.

"2 Elephants in the Kitchen." There were comments made about Senator McCain, Congress itself and Governor Napolitano and Herb Guenther who is head of ADWR as being "spooked." They can certainly speak for themselves and he would be happy to ask the appropriate parties to respond to any and all of their inquiries. None of the groups are working in a vacuum. All parties have a common goal to do no harm to the Verde River.

Issues re governance. He said that two discussion points offered were to regroup as a new entity or cooperate under the umbrella of the WAC. Creating a whole new entity would probably create a whole new set of issues so he would suggest that they try to work under an established group such as the WAC. To his knowledge, neither WAC nor the Coalition has been asked to place this issue on their agenda for discussion. He has recommended in the past that the Partnership become part of the WAC and the concept was rejected. He still has issues with the formation of the Partnership and how it affects their community.

He had heard during the formation of the Partnership that they had agreed to follow the Open Meeting Law; however he could not find a reference to it in their by-laws. His main concern with the Partnership is with how voting takes place.

Councilman Roecker said that he would recommend: 1) they ask that the Verde River Basin Partnership be put on the WAC and Coalition's agenda for those two groups for consideration, discussion or recommendations; 2) ask that the Partnership come with viable, specific recommendations; 3) he has always supported efforts to obtain Federal funds through Title II and it would be appropriate to focus on the financial effort so studies in the Verde Valley could be accomplished; and 4) he would suggest that all of these issues can be resolved if they continue to dialogue in an open, honest way.

Councilman Luzius said that he would have liked to have his comments prior to the meeting so he could review. Councilman Roecker said that he wrote it yesterday.

Councilman Lamerson said that they have not heard from any of their partners, and asked the “water people” if they have heard anything from the Coalition, WAC, etc. Mr. Holt said that the Coalition has not had any discussion on this topic. The WAC has talked about this their last two meetings. At the first meeting it was proposed and the WAC asked the TAC to bring together some of the mission statements, planning documents, etc. for the three organizations which they did. At its meeting last week, the WAC believed this is a policy issue and that not a lot of technical information is needed.

Councilman Lamerson said that he agreed with Councilman Luzius that the idea of working as Rural Arizona, looking after their water, beats the option of depending on Phoenix taking care of them. This is not just a Prescott issue.

Mayor Wilson said that they have been talking about this for years and years, and until they get people in one room and roll the issues out, they will continue to have water wars.

Councilman Roecker said that he is hopeful that his comments will suggest to the Partnership that they try to come up with a compromise on their organizational process.

Councilwoman Suttles asked what the Mayor was looking for from the Council. Mayor Wilson said that he is just looking for the Council to say they can start discussing the possibility of they can get the groups together. Councilwoman Suttles suggested that they independently discuss this issue among each of the separate groups. Councilwoman Suttles asked if he could take the request to the Coalition. Mayor Wilson said that he could but he did not want to do that without the Council's participation, understanding what they are trying to do.

Councilman Luzius said that as a member of the Coalition, he believes the Mayor has to take direction from the Council; they have to remember that cooperation has to start somewhere. He said that Karen Fann has said that she is in favor of some type of assimilation between the three groups. There are others on the other side of the mountain that want to do that. They also realize that some structure has to be changed.

Councilman Lamerson said that he is hearing from the Mayor that he will go to the Coalition, with four on the Council asking him to do that, and they have their representative from the WAC sitting there. He just wants to hear from their partners because they have people that they have built relationships with over the years.

Councilman Roecker suggested that they be specific in whether they are asking them to join the groups because of their TAC or because they are trying to get funding from the Federal government, or what the purpose is to assimilate the group into the existing, functioning, funded organizations they are now working through. Mayor Wilson said that he wants to get the three groups together in some sense so that can talk about the possibility of combining their groups. He said that the \$8 million is a big reason. Councilman Roecker said that if they are talking about the sole purpose to coordinate these groups, because the other two groups are functioning fine, most of the people in the Partnership are in the other groups; he is concerned with where it will be focused.

Mayor Wilson said that McCain supported it twice, but it was deleted from the Presidential budget. He said that McCain has never done an earmark in his career.

Councilman Lamerson said that his understanding is that Councilman Luzius's suggestion is to have all of the entities sit down together and find some commonality at the same table, under the umbrella of WAC. All he is asking for is to ask WAC and the Coalition if they would like to approach it from that perspective, and then approach the Verde River Basin Partnership.

Carol Springer, 1735 Oregon, and Member of the Yavapai County Board of Supervisors, said that she is also on the Board of Directors of WAC and the Coalition, but she is speaking for none of them; she is speaking for herself. She said that she thinks that in the last 3 ½ years they have become so entrenched in the politics and rhetoric of this discussion that they have overlooked the basic fundamentals of what the Partnership is. She then passed out copies of Title II legislation together with the Federal Summary.

She then reviewed Title II, noting that it sunsets in November of 2009, which is 18 months from now. Within the legislation it included two specific time frames by which certain things were to have been done: January 22, 2007 and March 22, 2007 (Section 204B and C). She said that the mission was that there were certain studies to be conducted by the USGS, subject to appropriation. Three of those five budget years (2006-2010) have elapsed without any request from any legislators for appropriations.

She said that Senator McCain's two letters to the President have no meaning, it is like sending a telegram to Congress; it means nothing. The budget comes from the Congress and any legislator who wants something in the budget asks for it while it is in there. At no time has any senator or congressman requested this appropriation.

She said that some people are saying "if everyone had joined in the VRBP they would have been official and gotten the appropriation," but that's not true. McCain sent a letter to the Partnership recognizing them as the partnership – they were official – nothing said they couldn't get it if someone asked for it.

Supervisor Springer said that the Partnership did vote to adopt a Board of Directors, but as of the present time, they have never seated that Board of Directors. They are operating currently under the direction of the organizational committee.

She said that the purpose of a merger is that everyone should bring their assets to the table, to merge their assets for the benefit of everyone, no matter what they are. The assets of WAC are defined. They have a representative Board of Directors from all county governments, a stable funding source, a proven record of accomplishments, and specific projects in stages. She said that looking at the assets of the Partnership, they have no Board of Directors, no funding, no projects scheduled, the Partnership ceases to exist in 18 months, and it is unlikely that there will be any funding in the next 18 months.

Mayor Wilson said that they need to go after the \$8 million. Supervisor Springer said that in the past three years McCain has not requested funding. He is now running for President on a platform that does not accept earmarks. He said that there is no way for him to request this funding without it being construed as an earmark. Even if another congressional delegate asked for it next year and McCain had been elected President, he would be obliged to veto the bill. She sees no way that anyone will be asking for that money.

Mayor Wilson asked why they couldn't get it. He asked if the budget is all earmarks. Supervisor Springer said that someone has to ask for it. Mayor Wilson said that he would continue to ask for it. Supervisor Springer said that the bill that Councilman Roecker referred to was a bill specific that was passed a few months ago, specifically for the USGS. It was the largest bill ever passed in the history for an appropriation to catch them up on past studies. She said that would have been the opportune time for McCain to request funding and no one asked for it.

Leslie Hoy, 1880 Coyote Road, said that she agrees with Supervisor Springer about Senator McCain. She said that in her former home state of Nebraska President Bush just signed a bill awarding \$153 million for the Platte River recovery project. That happened because people in that area saw the benefits of a healthy Platte River to all of them. They are so far apart in Arizona, so far from doing what they need to do to get the amount of money they need. There are too many hidden and not so hidden agendas. Her suggestion is that rather than try to merge the diverse water groups that they meet with each other as human beings. Perhaps the City of Prescott could have a forum where all of the stakeholders, including the public, could come together in an informal basis, without looking for immediate decisions and have some common goals for the region. She said that until they come together and have a common vision of the future, they won't be able to come together with a common vision for water.

Mayor Wilson said that he would bring the issue up with the Coalition.

F. Recess into Executive Session.

The Prescott City Council recessed into Executive Session at 7:10 p.m.

VI. EXECUTIVE SESSION

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

1. Water transmission tax issues.

B. Discussion or consideration of employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of a public officer, appointee or employee of any public body, except that, with the exception of salary discussions, an officer, appointee or employee may demand that the discussion or consideration occur at a public meeting. The public body shall provide the officer, appointee or employee with written notice of the executive session as is appropriate but not less than twenty-four hours for the officer, appointee or employee to determine whether the discussion or consideration should occur at a public meeting, pursuant to A.R.S. Section 38-431.03(A)(1).

1. Annual evaluation of City Attorney Gary Kidd.

VII. POST EXECUTIVE SESSION

- A. Consideration and possible action - amendment to Employment Agreement with Gary Kidd.

The Prescott City Council reconvened into Open Session at 7:40 p.m. at which time **MAYOR WILSON MOVED TO AMEND THE EMPLOYMENT AGREEMENT WITH CITY ATTORNEY GARY KIDD TO PAY HIM FOR ONE WEEK OF UNUSED VACATION, AND PROVIDE HIM WITH A 4% MERIT INCREASE ON HIS ANNIVERSARY DATE, AND CONTINUE HIS CONTRACT AS WRITTEN; SECONDED BY COUNCILMAN ROECKER; PASSED UNANIMOUSLY.**

VIII. ADJOURNMENT

There being no further business to be brought before the Council, the Regular Meeting of the Prescott City Council of May 27, 2008, adjourned at 7:41 p.m.

JACK D. WILSON, 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 Regular Voting Meeting of the City Council of the City of Prescott, Arizona held on the 27th day of May, 2008. I further certify the meeting was duly called and held and that a quorum was present.

Dated this ____ day of _____, 2008.

AFFIX
CITY SEAL

ELIZABETH A. BURKE, City Clerk

PRESCOTT CITY COUNCIL
PUBLIC WORKSHOP
JUNE 10, 2008
PRESCOTT, ARIZONA

MINUTES OF THE PUBLIC WORKSHOP OF THE PRESCOTT CITY COUNCIL held on JUNE 10, 2008 in the Prescott Municipal Building located at 201 S. Cortez Street, Prescott, Arizona.

◆ CALL TO ORDER

Mayor Wilson called the Public Workshop to order at 5:30 p.m.

◆ ROLL CALL

PRESENT:

Mayor Wilson
Councilman Bell
Councilwoman Lopas
Councilman Luzius
Councilman Suttles

ABSENT:

Councilman Lamerson
Councilwoman Suttles

1. Discussion of policy for extending City service into unsewered developed areas.

Mr. McConnell gave a brief background of the issue, noting that this is the sixth in a series of workshops regarding this topic. He said that the schedule provides for consideration of a draft policy at the 6/17 Council meeting and it will be the Council's prerogative on whether they are ready to place a draft resolution on the 6/24 Council meeting for action. Public comment will be permitted both this evening and next week.

Mr. McConnell said that it has been said that the subject of retrofitting infrastructure has been talked about for ten years. He has been with the City for six years and during that time he has heard that residents of the unsewered areas have come to the City and said that something needs to be done. He wants to make it clear that the City has not initiated this; they have responded to requests from property owners. On the other hand, the City is that governing body of the community, and this is the appropriate place to take the issue.

He said that the City of Prescott is not the health department, nor is it the ADEQ. The regulatory agency for these types of issues, i.e. water quality, wastewater disposal systems, has been delegated to the State. If there are complaints, the appropriate entity is Yavapai County. The reason to discuss it with the City is because Yavapai County does not operate a sewer system in the City, the City of Prescott does.

He said that in discussing this topic, it comes down to the question of money. It costs money to build systems, properly abandon septic systems on private property and then connect to a sewer system. What the public has to understand about the way the City of Prescott manages water is that it is through an enterprise fund, and property tax, sales tax, other types do not go into this fund. When they talk about possible participation of the City in a sewer project, what they are really talking about are the 16,800 customers the City has.

Mr. McConnell said that questions were posed at the 6/3/08 workshop, and copies of those questions were obtained and some responses of the major questions have been addressed in the FAQ's handed out. He said that info is also available on the City's website. People can learn more about the language being used, etc. as all the workshop material and the FAQ is available on line.

He said that the clear objective of this series of workshop is to arrive at a combination of two components: 1) financing mechanisms; and 2) connection policy (criteria). When they initiated the series of workshops, they reviewed all different policies nationwide. For the purpose of a dialogue on policy, they need to simplify this and that is what they have done. In the Council packets there are three options which represent financing mechanisms combined with connection criteria, which he then reviewed. He clarified that with all of the alternatives, if a property owner has a failing system and goes to the County to replace it, regardless of whether there is an improvement district, reimbursement district, or nothing in place, they will be required to connect to the system if it is available.

Marlin Kuykendall, 2233 Clubhouse Drive, said that they have sewer where they live, but his interest is as a long time resident and participant as a Council member in the past. He appreciates the job the Council does; he knows that some days it's not really pleasant. He doesn't have any questions and is not trying to act as staff, etc. but he was asked by different people that he's known if maybe there's another way. The Council is going to have to make a public decision. He has a suggestion that will probably be out of the box, but using round numbers, the sewer main project is \$8 million, and all of 618 homes bought in at \$3,375, which is the impact fee today, (or buy in fee), and agreed that when the sewer was on line and was ready to hook in, they'd agree to pay their monthly sewer charge starting that month, and that money be allocated to debt service. The buy in fees are around \$2 mil or a little more, and using \$25 as a sewer charge, depending on an amount of water used, x 618 x 25 years, it comes to \$5 million.

He said that right there they would have \$7 million against the \$8 million, with no consideration for interest. That is a number he doesn't have, but Karen Fann mentioned on the radio today that there is 2.5% interest available. He said that as a side note, Chino Valley's new sewer system is \$40 a month for a user. He was using \$25 a month. If people were willing to start paying their monthly fee at that moment that it was available, they could connect whenever they chose. He

said that although it may not be the total answer, it is something worth giving some consideration to.

Mr. McConnell said that if the monthly charges were applied to debt service, in effect those new customers who were benefiting from the City sewer would be paying nothing to operate and maintain the sewer system. It takes money to run the lift station, the wastewater treatment plant, etc. Secondly, with regard to the buy-in or impact fee, the impact fee is for much more than the sewer collection system in a street. The impact fee is for that demand which the new connection places on the entire wastewater collection and recharge system. It is an interesting proposal, but it would carve out the retrofit project areas and treat them differently with respect to capital costs and operating costs.

Councilman Roecker said that the suggestion does not include the cost of hooking up to the pipe as it goes down the road. They would have to do that individually. Mr. Kuykendall said that it would be the homeowner's responsibility to get to the main, and every house is going to be different. The homeowners could hire whoever they want to connect and they would have to abandon the existing system. He has been told that the way it was done in Chino Valley was they pump the tank and fill it with slurry. That is not a major cost, but there would be some homes that could be expensive. If the philosophy of the concept flies and they are willing to pay their monthly fees, it is to their discretion as to when they connect.

Mr. Kuykendall agrees that this is out of the box. When he came to Prescott and for many years afterward, they didn't have any impact fees. The reason they developed the impact fees was because of the growth and if they would have shut those gates they wouldn't be sitting there today with the conversation. He agrees that these are new hook-ons, but it is certainly not new growth.

Councilman Luzius said that two months ago he made the same proposal as a monthly charge and he was told that they couldn't do it. He thinks that is one way to build up a money stream, so there is a mechanism. He said that opinion was given by Mr. Kidd and tonight Mr. Lloyd is present and he is not sure that he is prepared to respond to that aspect.

Councilman Bell said that if the Council backs away from a proposition completely and doesn't do this, those funds would never come into the City, either the buy-in or monthly fees. He asked Mr. Lloyd if that was possible. Mr. Lloyd said that the area of impact fees and bonding is very specialized and there have been a lot of changes in the law. They are making an inquiry of bond counsel in Phoenix to think outside of the box and look for other creative ways to look at this and this is one of the things they are going to ask about, if it hasn't already been done.

Mr. McConnell said that when they had the discussion before, the issue was benefit, that if there is no benefit, then they can't charge for it. His recollection of

research on the topic is that if a system was installed and available, but there was an undeveloped lot or someone with a septic tank, they could levy an availability charge because it is there. It is difficult or may be impossible if there is no sewer available.

John Phillips, 2280 Sandia Drive, in the North Prescott Sewer District, said that they are skipping the first step—what the need is. He said that there was some comment from staff last week that there were five applications for septic replacement. Five systems in five years would make him ask what the need is. They are told that the systems are leaking into the gullies, but there are also sewer lines in the gullies and he wonders if the City has investigated any leaks.

Mr. Phillips said that due to the market at this point, many of these homes are upside down already in their financing. He asked what bonding company would loan money on an upside down house. Mayor Wilson said that WIFA will provide low-cost funding. He said that this lien has to be paid off in closing; this will make these homes unsellable.

Robert Herman, 38 Perkins Drive in Antelope Hills, said that he is speaking for himself; however he has spoken to a majority of the Antelope Hills property owners, all of whom are on septic systems. He said that after paying taxes for years it seems a basic right for sewer service, which includes the City putting in the main line in a City street, with the property owners paying for their hookup. He said that the recent article in The Courier listed the estimated owner cost at this time from \$18,000 to \$44,000, and still going up. He asked who paid millions for Lowe's—all Prescott taxpayers. He asked who will be paying millions for the proposed recreational development—all Prescott taxpayers. He said that Antelope Hills is a unit of a 100+ property owners. It should not be divided in any way or have certain areas omitted in order to jockey numbers relative to the needed 50 plus one count for or against a sewer improvement district.

He said that the City Council has legal representatives by its City Attorney and his associates; it seems only right that some type of representative counsel is needed for their assistance. Contact with a legal group may be appropriate to ascertain whether they find a need, based on the present facts, for their pro bono service. If so, they will have no financial burden in contest with the City, who would be using their tax money. It would be nice to have all of the properties on sewer, but the City should put in the main line.

Adam Gabriella, 602 La Corta Lane in the North Prescott Sewer District, where he has lived for the past 36 years. He said that he has a septic system that is working fine, but he would like to be on City sewer, but at a reasonable cost. He said that he was one of the first individuals to build in that area and at that time he was in the County. Alan Bibler, the City Manager at that time, came to his door with a petition asking them to come into the City. At that time he said they would benefit by the services the City will provide, one of which was sewer. He said that they are still waiting.

He said that they are trying to treat their area as if it is a new area coming into the City. They have been there for 36 years. They have all paid taxes over that period of time. The City seems to rush out and provide money for infrastructure for commercial developments in order to gain their tax dollar. He said that they have been paying taxes over those 36 years and they would like some services, too. He said that one of the recommendations has been to raise rates approximately \$3 to pay for the expansion. He said that the City has indicated that it would be unfair to those individuals that are already on sewer. He said that the older areas in town that are on sewer systems probably did not pay an impact fee. It seems reasonable that this is the logical solution to a difficult problem, that the expense be shared by the entire City.

Donna Durall, 2205 Sandia, said that the cost of everything is going up so much—gas food, taxes, but there are people on limited incomes, such as her mother, who is on minimal social security and there are many things she needs. If it wasn't for herself and her husband, she couldn't afford to live. She has been so upset by the proposal of the extra cost; there is no way she could afford \$100 a month or whatever it will be. She said that it seems like they are losing a battle; they need to keep the people in mind. With everything going up it's difficult for people to make their monthly bills. She sees nothing but hardship, with no benefit to the people that have their septic working fine. The house values are going to go down. They can't sell the home—if this lien is there no one will want to buy with a sizeable lien.

Mr. McConnell noted that the particular situation of those who cannot afford the added expense is addressed in the FAQ's.

Bill Feldmeier said that like Mr. Kuykendall, he lives in an area that is already sewered. He came to the meeting this evening because he has been reading about the concerns of this problem. He said that he came from a different angle. He asked about those that are already in sewered areas having to put up the money that they have set aside for sewer operations. He sympathizes to the concerns of the high costs. He, too, has absorbed high costs over the years. He said that they need to either pay the piper, or perhaps there isn't a problem. He said that he was intrigued by Mr. Kuykendall's presentation and would encourage the Council to examine that and other ideas that may be presented.

Mr. Herman said that this is a tremendous burden for those on a fixed income. Many of them feel intimidated and coerced into accepting something they don't need or want, and they can't afford. They feel this is an infringement on their civil rights. Mayor Wilson said that if they do an improvement district, an improvement district affords the property owners the ability to opt out in 15 days, both in the initial estimate and after the final engineering estimates. Their rights as a voter are preserved to say no.

Mr. Herman said that the 50 plus one count is the whole thing. They have to get everyone out to vote. It has to be a fair vote; they have to have enough time to contact those that don't live in the area. Mayor Wilson said that the State Statutes provide the timing requirements.

Councilman Roecker asked how the voting is done. Mr. McConnell said that it is a protest that they are opposed to the district or the assessment of the district, according to statute. One by one there is a period established following adopting of an ordinance, and then the public has the opportunity to protest against it, and that is the "vote." It is not a ballot in a polling place. Mayor Wilson said that it is a form letter that comes to the City Clerk.

Nancy Del Mar, 4 Perkins Drive, said that she was speaking for Delores Larson who lives at 6 Perkins Drive. She is very unhappy with the way this is coming forth to the Antelope Hills homeowners and feels there have been other areas in Arizona that have handled it in a more judicious way. Her definition of the "city" is everyone in the room.

Bob Remp, 2206 Sandia, asked if the RV parks were allowed to have septic tanks within 1500 feet of Watson Lake, and if those may be draining into the lake. Mr. McConnell said that there are some RV parks in the unincorporated properties. Mr. Remp said that the documentation said that if assessments are not paid, the municipality forecloses on delinquent properties, so if a person has a lien for 25 years and their income doesn't increase, they could lose their house. They have over 280 property owners that say they don't want to do this.

Karen Walker, 454 Bruce's Corner, in Prescott North, thanked the Mayor and Council for having the later meeting so she was able to attend. She said, going back to Mr. Phillips' comments, if they have 618 homes that are not connected to the sewer, with five failed in five years, she asks why they need to put everyone on sewer. She said that 25% of the United States is on septic systems. It would cost her \$10,000 to \$15,000 if her system failed; if it failed that is her problem. It would be cheaper to replace one than to hook up to sewer.

Mr. Phillips asked to speak further. Mayor Wilson asked that he wait until the others who have not had the opportunity to speak had spoken.

George Christianson, Bruce's Corner, said that he has a different view. He built his home 37 years ago when it was in the County. His system still works fine. He said that shortly after building the house the City wanted to annex him into the City. He fought it, but the City prevailed with promises of a better system. He said that the City should pay for the line and the property owners should only have to pay for connection to the line.

Nathan Beever, 612 Bonita Way, said that his family has been residents since before Arizona was a state, and he has been a resident for almost four years. He said that he is a registered hospice traveling nurse, and he makes a living

stepping out of the box. He cannot help but comment on the animosity. He said that people have asked about the alleged pollution, but he has seen nothing that indicates there is a pollution problem. He suggested that they may be rushing to satisfy those few. They need to take care of the people, and do it in a way that won't hurt them. He said that he has neighbors that have lived in Prescott a long time and have been good citizens. They feel the City is turning their back on them. They need to take care of the people.

Walter Kylie, 2102 Miramonte Drive, said that he has lived in the area for 36 years and was forced to be annexed into the City. He said that the City took him in because they wanted the property beyond him. He said that when the City Manager went to his house, he promised sewer for \$3,000. The City made a comment and he cannot afford the prices they are talking about now. He thinks it is wrong.

A question was raised regarding the statement that Prescott did not qualify for grants like Chino Valley received. Mr. McConnell said that grant funding of wastewater systems is very paired back from decades of the past. There are opportunities available, coming through things like CDBG, which has very specific income criteria. He said that is not to say that there aren't property owners within the City that wouldn't qualify, but it is a question of having enough of that income group. It is very different between Prescott and Chino Valley. If the City did a capital project to construct a sewer system and borrowed for that, the WIFA is available that buys down the interest rate. It is not like the old grants which paid a percentage.

Mayor Wilson said that early on in the recent discussions he contacted Steve Owens from Arizona Department of Environmental Quality and he was referred to a person with WIFA. He said that it provides the public entity, City of Prescott, with financing over a 25-year period and buys down the interest rate below market.

Councilman Roecker asked if an improvement district would require qualification from anyone. Mr. McConnell said that it would not. If there was an improvement district, that capital expense is paid through borrowing. If the project qualifies for State WIFA funding, then it would be a better interest rate. If it went to a bank, it would be a higher rate.

Christy Young, 2103 Richard Street, asked if all of the areas on septic are being asked to convert or if they are being selective. Mayor Wilson said that they evaluated all areas that are not on sewer, and are looking at those that were most problematic at this time.

Mr. McConnell said that about two years ago they had the sewer model for the City completed by Carollo Engineers. It was a first for the City because it produced not only a hydrologic calibrated system of the City, but it also mapped and provided cost estimates of the unsewered areas. When they embarked on

the latest of workshops, the first thing they did was provide that map and indicate there were 12-14 different areas, where the geology and ground conditions vary significant. He said that the areas they are discussing are those that have had people come into the City offices and meetings and stated they have a problem. It is a response to those conversations that they are having these. He said that it is a valid point to determine whether there is enough of a problem to warrant the expense.

Councilman Luzius said that based on what he is hearing, he is wondering why they are at the meeting tonight if there is not a need. If people need new septic systems, they can do that on their own.

Ms. Young asked if they have considered failures or weak links in the current system. Mayor Wilson said that they have a sewer model that assists with leak detection. Ms. Young asked what her incentive is to connect if she can put in an alternate system and use her own effluent for her landscaping.

Peter Busciano said that they have been there before. Right now they are estimating around \$25,000 to \$40,000. He asked what happens if they drag it out and it becomes \$50,000. He asked who would pay for that. Mayor Wilson said that they have done that in the past.

Mr. Bisciano asked how much the City has already spent on the project over the years. Mr. McConnell said that as a rough estimate, the 16,800 customers have advanced around \$1/2 million. Mr. Busciano said that he has heard they have already spent \$1 million, and they have approved another \$1 million for another study.

Mr. Busciano said that he has written letters before. He made an in-depth study of what took place and found out some interesting facts, each of which he addressed in his letter. He suggests that the City put in the trunk lines and let the property owners pay for the hookups.

Jim Hazelbaker, 2096 Mark Avenue, said that 15 years ago he came to the Council and addressed this same issue; it has drug on and on. Then it was going to be between \$5,000 and \$7,000; all they did was continue to take a survey. He said that they are in the same spot they were in when they started and not one shovel of dirt has been turned. The City needs to put in the sewer line, and do away with the impact fees. He said that he would invite the people to his house when there is a good rain; it wouldn't be a pleasant experience. When it rains, the sewage comes out of the hills and into the front of his house. Rowle Simmons and Steve Blair have been there. He said that they need to get it done, and get it done soon.

Yvonne Dorman, Mullen Way, asked if there were any municipal buildings that would be hooking up to City sewer in the outlined unsewered areas. Mr. McConnell replied that there would not be. Ms. Dorman said that in ARS

Title 48-619, it states that if the City decides that they will pay to put in the main trunk lines, they are allowed to borrow from any legal source including other funds. Mayor Wilson said that Title 48 refers to special districts. They would have to be authorized by the State Legislature. The City of Prescott cannot set up a special district under its own volition. She said that she attended many of the capital needs committee meetings and the staff was coaching the committee members. She asked why the City was going to ask for a bond in November to cover things like a fire station at Watson Lake. She said that the City needs to look at things further. They are not opposed to being sewerred; they are opposed to an unfunded mandate.

Dorothy Klein, Lot 6 Park, said that they would not be able to build on their lot without sewers, but they are opposed because of the cost. They would have to let the lot go for taxes. They have the option of putting in a self-circulating system and she thinks that is the wise move for everyone there.

Ed Burdick, 123 S. Mt. Vernon, said that he thinks they should abandon the idea of spending \$8.1 million for sewer for the following reasons. If they look at a memo dated June 4, 2008, the County Environmental Services Department states that less than five violations for failed septic systems have occurred in the past five years. He talked to one of them from that department and he said it was not a failed system; it was nonfunctional. Back east he cleaned, remove, filled septic systems and there are thousands throughout the State. A failed system (nonfunctional) is usually a result of people that don't realize how to take care of them. It is like the human body; they carry about 8 pounds of bacteria. They give it food, water, oxygen and it survives. If they remove any one of those things, it dies. He said that the same thing happens with septic systems. He said that if it isn't broken, don't fix it.

Mr. Phillips asked if the RV lot was leaking into the lakes. Mr. McConnell said that they cannot determine if that is a fact. The City is not responsible for and have any direct information on what is going on outside the City limits, unless the County Health Department or State creates a report.

Mr. McConnell said that there are watersheds which are tributary to the lakes, that encompass with the City and there are water quality issues within the lakes. As to that particular mobile home park in the County, they cannot comment.

Mr. Phillips asked if they have inquired of the County whether it is leaking. Mr. McConnell said that he was not aware of any inquiry or study about what is in the lakes and the sources. In the Council packet, there was is documentation of a conversation that the Environmental Services Department of the County was asked about sources (potential) of water quality problems in the lakes and there were various sources mentioned. He said that it was also mentioned that it is difficult to identify where components are coming from. He said that they are dealing with a water quality issue which is nonspecific.

Mr. Phillips asked if the sewer plant was leaking into the lakes. Mr. McConnell said that he could not answer that as he did not have that information.

Mr. Phillips asked if staff has tried to determine where the stuff is coming from at the homes of those on Marks Avenue. Mayor Wilson replied that was a function of the County.

Mr. Phillips said that this project is based on the legitimate complaints on Marks Avenue, but there has been no staff inquiry as to what has been happening and where it is coming from. He asked if there was a sewer line across Roma. Ms. Hadley replied that there was.

Mr. McConnell said that while many of the questions are legitimate, they are not a court of law and it is not appropriate to have a cross examination. Mayor Wilson said that they would take them as questions and not interrogations.

Mr. McConnell said that they could meet and review specific areas with those that work directly in the field. Mr. Phillips asked how many feet away the sewer line is from the problem areas on Marks Avenue and if they could hook up those having problems to that line. He also asked that they provide the County report regarding failures.

Nancy Del Mar reminded the Mayor of his previous statements regarding regional cooperation. She asked that they contact the County and identify the real problems. She asked that they try to cooperate with the other governmental agencies.

William Pence, Nolte Drive, asked why they haven't asked the County if there is leakage into the lakes. He said that was Mr. McConnell's profession.

Ms. Hadley said, on behalf of staff, that she wanted to make it known that this is not a staff-initiated project. This comes from years of people coming from different areas and saying there was a problem. They have been beaten up for this. The Council continues to want to help those and see new ways. She said that there is no way to track the leaks. The County can only tell them of complaints they have received. They have talked to the County and the Department of Environmental Quality. She said that they have tried to gather the information they are asking for. It is not that they don't care. The current Council, and past councils, want to help those with problems. She said that they will continue to respond to the issues presented to them as they are public servants.

Mayor Wilson said that they scheduled this meeting tonight to accommodate those that could not make the June 3 meeting. He said that this is a difficult issue; it would have been handled 30 years ago if it wasn't. The Council is elected to make policy; this is a difficult policy issue. He certainly appreciated everyone taking the time to come to the meeting tonight.

Councilman Roecker said that they are hearing from Mr. Hazelbaker that there is a need. Mr. Remp said that there are enough signatures in the North Sewer district to defeat an improvement district. To stand up and brow beat the staff is not productive. One of the big frustrations is they cannot define where the problem is coming from. He said that the people need to work with the City and not against them. If anyone is having problems with their septic, they need to communicate that to the City.

Councilwoman Lopas thanked everyone for coming out. She said that those that were promised back in the 70's to get sewer—that is not the way to be treated. They need to figure out how to fix this. She appreciates it when people give a solution; they need to work with the City. She said that they know there is pollution in the creeks and lakes; probably from a multitude of reasons and they need to attack each one of them.

Councilman Bell said that one reason he hasn't said much is that he lives at 2240 Sandia, right in the middle of the Prescott North Sewer District. His sewer works fine. They are trying their best to do what is right for the City and the people living there. He appreciated their attendance and input.

Mayor Wilson said that one thing they heard was the need to think outside the box. He is of a mind to do that; he did that in his career. He said that there are brilliant people living in Prescott and any ideas will be looked at. He agreed with the others that they need to do the right thing.

2. Adjournment.

There being no further business to be discussion, the Public Workshop of June 10, 2008, adjourned at 7:15 p.m.

JACK D. WILSON, Mayor

ATTEST:

Elizabeth A. Burke, City Clerk

COUNCIL AGENDA MEMO – July 15, 2008

DEPARTMENT: Budget and Finance

AGENDA ITEM: Ordinance to set the Property Tax Levy for FY 2009

Approved By: _____ **Date:** _____

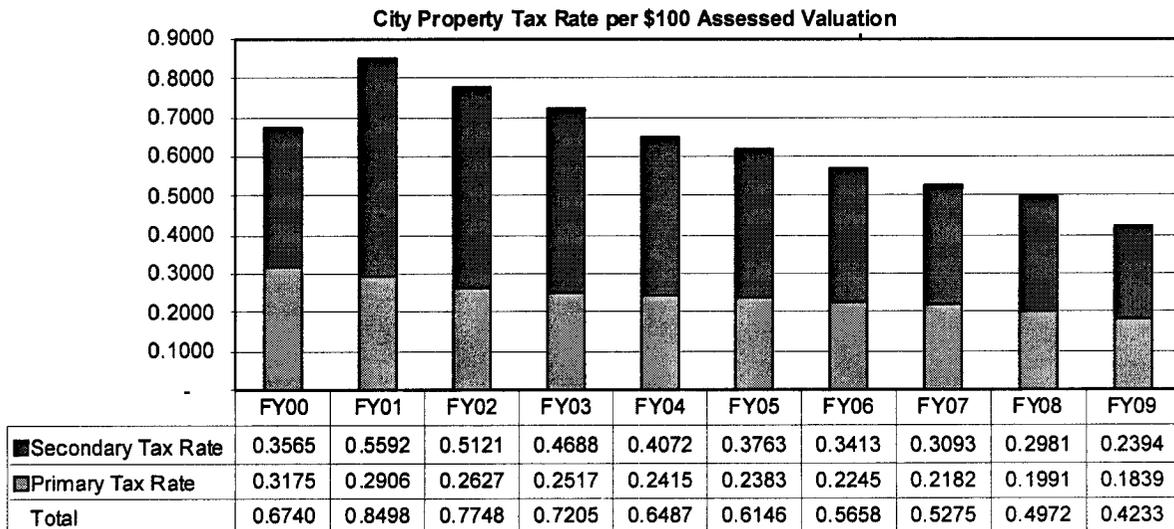
Department Head: Mark Woodfill

Finance Director: Mark Woodfill

City Manager: Steve Norwood *SNorwood* *07/09/08*

On June 24, 2008 the council held the public hearing on the adoption of the final budget, establishment of the expenditure limitation and levy of property tax for fiscal year 2009. After the hearing the council adopted the final budget and established the expenditure limitation. State law requires that the property tax levy not be adopted for a minimum of fourteen days after the public hearing.

The primary tax levy for fiscal year 2009 is \$1,205,316. The increase over last year's levy is the result of new construction and not the increased valuation of existing homes. The secondary property tax is for the retirement of debt and will be set at \$1,923,785. Following is a comparison of property tax rates over the last ten years.



Recommended Action: MOVE to adopt Ordinance No. 4660-0903.

ORDINANCE NO. 4660-0903

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, LEVYING UPON THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE CITY OF PRESCOTT, SUBJECT TO TAXATION, A CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE REQUIRED IN THE ANNUAL BUDGET, LESS THE AMOUNT ESTIMATED TO BE RECEIVED FROM OTHER SOURCES OF REVENUE; PROVIDING FUNDS FOR VARIOUS BOND REDEMPTIONS FOR THE PURPOSE OF PAYING INTEREST UPON BONDED INDEBTEDNESS, AND PROVIDING FUNDS FOR THE GENERAL MUNICIPAL EXPENSES, ALL FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE, 2009

RECITALS:

WHEREAS, by the provisions of State law, the ordinance levying taxes for Fiscal Year 2008-09 is required to be finally adopted not less than fourteen days after adoption of the annual budget; and

WHEREAS, the County of Yavapai is the assessing and collecting authority for the City of Prescott, the Clerk is hereby directed to transmit a certified copy of this ordinance to the County Assessor and the Board of Supervisors of the County of Yavapai, Arizona.

ENACTMENTS:

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PRESCOTT, ARIZONA AS FOLLOWS:

SECTION 1. THAT, there is hereby levied on each one hundred dollars (\$100.00) of the assessed value of all property, both real and personal, within the corporate limits of the City of Prescott, except such property as may be by law exempt from taxation, a primary property tax rate sufficient to raise the sum of \$1,205,316 for the Fiscal Year ending on the 30th day of June, 2009. If such sum exceeds the maximum levy allowed by law, the Board of Supervisors or the County of Yavapai is hereby authorized to reduce the levy to the maximum amount allowed by law after providing notice to the City.

SECTION 2. THAT, in addition to the rate set in Section 1 hereof, there is hereby levied on each one hundred dollars (\$100.00) of assessed valuation of all property, both real and personal, within the corporate limits of the City of Prescott, except such property as may be by law exempt from taxation a secondary property tax rate sufficient to raise the sum of \$1,923,785, but not more than the actual general obligation bond

debt service due during the year for the purpose of providing a bond interest and redemption fund for the City of Prescott for the Fiscal Year ending June 30, 2009.

SECTION 3. THAT, failure by the County official of Yavapai County, Arizona, to properly return the delinquent list, any irregularity in assessments or omissions in the same, or any irregularity in any proceedings shall not invalidate such proceedings or invalidate any title conveyed by any tax deed; failure or neglect of any officer or officers to timely perform any of the duties assigned to him or to them shall not invalidate any proceedings or any deed or sale pursuant thereto, the validity of the assessment or levy of taxes or of the judgment of sale by which the collection of the same may be enforced shall not affect the lien of the City of Prescott upon such property for the delinquent taxes unpaid thereon; overcharge as to part of the taxes or of costs shall not invalidate any proceedings for the collection of taxes or the foreclosure of the lien therefore or a sale of the property under such foreclosure; and all acts of officers de facto shall be valid as if performed by officers de jure.

PASSED and ADOPTED by the Mayor and Council of the City of Prescott, Arizona, on this 15th day of July, 2008.

JACK D. WILSON, Mayor

ATTEST:

APPROVED AS TO FORM:

ELIZABETH A. BURKE, City Clerk

GARY D. KIDD, City Attorney