



# PRESCOTT CITY COUNCIL VOTING MEETING AGENDA

PRESCOTT CITY COUNCIL  
REGULAR VOTING MEETING  
TUESDAY, SEPTEMBER 9, 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 Regular Voting 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:** Father John A. Peck, Prescott Orthodox Christian Church
- ◆ **PLEDGE OF ALLEGIANCE:** Mayor Wilson
- ◆ **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.

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

- A. Prescott Area Arts and Humanities Council re Fourth Annual Fall Arts Festival and Studio Tour.

**II. PROCLAMATIONS**

- A. *September 8 – 14, 2008 – Yavapai County Community Foundation Week*
- B. *September 13, 2008 – March for Babies Day*
- C. *September 14 – 20, 2008 – Patriotism Week*
- D. *September 17 – 23, 2008 – Constitution Week*

**III. PRESENTATION**

- A. *Presentation by Todd Sadow, President of Mountain Bike America, regarding a new tourism/economic development event to be held in Downtown Prescott in April 2009.*

**IV. CONSENT AGENDA**

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

- A. Adoption of Resolution No. 3906-0908 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, accepting the Special Land Use Permit No. 23-103097-03 extension provided by the State of Arizona, Arizona State Land Department, for the special use of Badger Mountain for public safety communication operations for an additional five-year period and authorizing the execution of any and all documents to implement same.
- B. Adoption of Ordinance No. 4666-0909 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, authorizing the acceptance of the dedication of two public trail easements for the Prescott Greenways Multi-Use Trail System from Prescott Unified School District for the stretch of Granite Creek through Mile-High Middle School and from Thos Etal Rusing, and Russell and Rosemary Rusing, for the area near Goodwin Street and authorizing the Mayor and City staff to execute any and all documents in order to effectuate said conveyance.
- C. Approve payment to Prescott Chamber of Commerce for Annual Courthouse Lighting in the amount of \$34,036.00.

- D. Award bid for the Rosser Street Traffic Calming and Re-striping Project to Core 5 Construction LLC., in the amount of \$73,335.15.
- E. Award bid for the McCormick Street Sidewalk Construction Project, Goodwin Street to the Pioneer Retirement Home Road, to Core 5 Construction, LLC in the amount of \$66,691.80.
- F. Authorize purchase of Airport Premises Liability Insurance with Ace Property and Casualty Co. in the amount of \$22,500.00 for FY09.
- G. Authorize proceeding with an Environmental Risk Assessment with Marsh in the amount of \$42,250.00.
- H. Combining of November 11, 2008 City Council Regular Voting Meeting with Study Session of November 4, 2008, due to a National Holiday, Veterans Day, on November 11, 2008.
- I. [Approve the Minutes of the Prescott City Council Joint Special Meeting with the Prescott Unified School District of August 26, 2008, and the Combined Study Session/Regular Voting Meeting of August 26, 2008.](#)

**V. REGULAR AGENDA**

- A. Public Hearing and consideration of a liquor license application from Carla Roberts, Applicant for Jazzy’s Wine, LLC, for a Series 06, All Spirituous Liquor Bar, license for Jazzy’s Wine Bar located at 219 North Cortez Street, Suite D.
- B. Discussion and possible action on recommendations from the Mayor’s Immigration Issues Task Force.
- C. Adoption of Ordinance No. 4667-0910 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, authorizing the purchase of real property, temporary construction easement and improvements from Prescott Unified School District #1 for the widening of Williamson Valley Road, and authorizing the Mayor and staff to execute any and all documents to effectuate said purchase.

**VI. 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, MMC

# PROCLAMATION

## “Yavapai County Community Foundation Week” September 8-14, 2008

WHEREAS, the Yavapai County Community Foundation (YCCF) was created in 1993 as the first affiliate of the Arizona Community Foundation; and

WHEREAS, the YCCF has as its stated mission the building of a legacy of community philanthropy by connecting donor interests with community needs; and

WHEREAS, since its founding, the YCCF has generated more than \$3.5 million in endowment assets, the YCCF family of funds represents more than \$16 million in assets, endowment assets, the YCCF family of funds represents more than \$16 million in assets; and

WHEREAS, the various funds, grants and other assets accumulated by the YCCF have been used to benefit the entirety of Yavapai County – its diverse communities, organizations and citizens; and

WHEREAS, during its first 15 years, the YCCF has returned more than \$1.3 million to those whom it serves, inclusive of more than \$160,000 distributed in 2008.

NOW THEREFORE, I, Jack D. Wilson, Mayor of the City of Prescott, Arizona, do hereby declare September 8-14, 2008 as:

### Yavapai County Community Foundation Week

And enthusiastically urge future support for one of Yavapai County’s premier philanthropic foundations, and be it further resolved that these same signatures are proud to join other signatures from throughout the county in recognizing and congratulating the YCCF in its celebration of 15 years of exemplary service.

IN WITNESS THEREOF, I have hereunto set my hand and caused the Seal of the City of Prescott to be affixed this 9<sup>th</sup> day of September, 2008.



JACK D. WILSON, MAYOR  
City of Prescott

ATTEST:

  
ELIZABETH A. BURKE, CITY CLERK  
City of Prescott

# PROCLAMATION

## “March for Babies Day”

September 13, 2008

Whereas, the mission of the March of Dimes is to improve the health of babies by preventing birth defects, premature birth and infant mortality; and

Whereas, premature birth is the leading cause of newborn death; and

Whereas, in 2007, more than 520,000 babies born in the U.S. were born preterm, and premature birth is increasing at an alarming rate; and

Whereas, in an average week in Arizona, 239 babies will be born prematurely and 12 will die before their first birthdays. One in eight babies born in Arizona is born more than three weeks before they are due; and

Whereas, babies born prematurely are at higher risk for lifelong disabilities and chronic illnesses including cerebral palsy, vision and hearing impairment, physical and mental disabilities and respiratory conditions such as asthma; and

Whereas, there is no known reason why about 50 percent of these babies are born too soon. The March of Dimes is determined to find answers to reduce the rate of preterm births; and

Whereas, research breakthroughs funded by the March of Dimes, such as surfactant treatment to help preterm babies with underdeveloped lungs to breathe, are already saving the lives of countless babies who were born prematurely; and

Whereas, the March of Dimes funds education and programs across Arizona to increase awareness of the warning signs of preterm labor, and provides grants for programs to improve birth outcomes; and

Whereas, the March of Dimes has a 70-year history of success in funding research to improve public health, starting with the development of the polio vaccine that has eradicated the threat of the disabling and deadly virus in the U.S. and nearly every other part of the world; and

Whereas, Prescott volunteers and contributors have played an important role in helping to give Arizona's babies the best chance for a healthy start in life by supporting the March of Dimes.

NOW THEREFORE, I, Jack Wilson, Mayor of the City of Prescott, Arizona, do hereby declare September 13, 2008 as:

### MARCH FOR BABIES DAY

IN WITNESS THEREOF, I have hereunto set my hand and caused the Seal of the City of Prescott to be affixed this 9th day of September, 2008.



  
JACK WILSON, MAYOR  
City of Prescott

ATTEST:

# PROCLAMATION

## "PATRIOTISM WEEK"

September 14-20, 2008

WHEREAS: the Benevolent and Protective Order of Elks, through its Constitution, is a Patriotic Order; and

WHEREAS: The Order promotes the ideals that the citizens of this nation live in freedom, won through the great sacrifices and many tribulations which have provided the foundation for a free, prosperous and independent life; and

WHEREAS: we realize that each generation must work to maintain this freedom, otherwise, through carelessness or indifference, the rights and liberties enjoyed may vanish; and

WHEREAS: it is fitting and proper to recognize this freedom and to honor the nation, which provides it now.

NOW, THEREFORE I, Jack D. Wilson, Mayor of the City of Prescott, do hereby proclaim September 14-20, 2008 as

### NATIONAL PATRIOTISM WEEK

And during this event urge all citizens to join the Benevolent and Protective Order of Elks in expressing gratitude for the privilege of American Citizenship with appropriate celebrations and observances.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Prescott to be affixed this 9<sup>th</sup> day of September, 2008.



**JACK D. WILSON, MAYOR**  
City of Prescott

ATTEST:



**ELIZABETH A. BURKE, CITY CLERK**  
City of Prescott



# PROCLAMATION

## CONSTITUTION WEEK

September 17-23, 2008

WHEREAS: September 17, 2008 marks the two hundred twenty first anniversary of the drafting of the Constitution of the United States of America by the Constitutional Convention; and

WHEREAS: It is fitting and proper to officially recognize the patriotic celebrations which will commemorate the occasion; and

WHEREAS: Public Law 915 guarantees the issuing of a proclamation each year by the President of the United States of America designating September 17 through 23 as Constitution Week.

NOW, THEREFORE I, Jack D. Wilson, by virtue of the authority vested in me as Mayor of the City of Prescott, Arizona do hereby proclaim the week of September 17 through 23, 2008 as:

## CONSTITUTION WEEK

And ask our citizens to reaffirm the ideals of the framers of the constitution had in 1787 by vigilantly protecting the freedoms guaranteed to us through this guardian of our liberties, remembering that lost rights may never be regained.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Prescott to be affixed this 9<sup>th</sup> day of September of the year of our Lord two thousand and eight.



A handwritten signature in black ink, appearing to read "Jack D. Wilson", is written over a horizontal line.

JACK D. WILSON, MAYOR  
City of Prescott

ATTEST:

A handwritten signature in black ink, appearing to read "Elizabeth A. Burke", is written over a horizontal line.

ELIZABETH A. BURKE, CITY CLERK  
City of Prescott

**COUNCIL AGENDA MEMO – September 9, 2008**

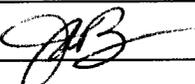
**DEPARTMENT:** Economic Development

**AGENDA ITEM:** PRESENTATION BY MOUNTAIN BIKE AMERICA

**Approved By:**

**Date:**

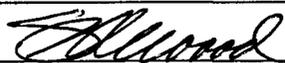
**Department Head: Jane Bristol**



**09/03/08**

**Finance Director:**

**City Manager: Steve Norwood**



**09/04/08**

**BACKGROUND**

Todd Sadow and his company Epic Rides based in Tucson, AZ, have successfully conducted the Whiskey Off Road Mountain Bike Event in Prescott for five years. The Economic Development Department provided marketing assistance to Epic Rides to help get the event started. In 2008, over 600 bicyclists participated in the Whiskey Off Road, which has helped put Prescott on the map for mountain bike events.

**PRESENTATION**

Todd will give a short presentation to Council on a planned major expansion of this event that would attract the top professional mountain bike riders to Prescott for up to 5 days from April 22 to 26, 2009. All events connected with this new event would be held in Downtown Prescott, utilizing lodging and restaurant services and shopping opportunities to participants, their families, and spectators. April is considered to be "shoulder season" for the local tourism industry.

The event is expected to offer the largest cash purse in history for this type of event (\$50,000) and will attract national and international media to Prescott. A total of 1,450 participants are expected to be in attendance. Industry-related vendors will be attracted to the event to market their products.

Todd's new company, Mountain Bike America, is requesting that the City of Prescott be the Venue Sponsor for this event and provide financial and logistical support. The event would be titled The Prescott Mountain Cup.

PRESCOTT CITY COUNCIL  
JOINT SPECIAL MEETING WITH  
PRESCOTT UNIFIED SCHOOL DISTRICT  
BOARD  
TUESDAY, AUGUST 26, 2008  
PRESCOTT, ARIZONA

MINUTES of the Prescott City Council Joint Special Meeting with Prescott Unified School District Board held on August 26, 2008 in the Lower Level Conference Room at Prescott City Hall, 201 South Cortez, Prescott, Arizona.

1. Call to Order - Mayor Wilson, City of Prescott  
- President Navarro, Prescott Unified School District Board

Mayor Wilson and President Navarro called the meeting to order at 2:00 p.m.

2. Roll Call - Liz Burke, City of Prescott

Ms. Burke took roll of the Prescott City Council, as follows:

PRESENT:

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

ABSENT:

None

- Andi Mayer, Prescott Unified School District

Ms. Mayer took roll for the Prescott Unified School District Board, as follows:

PRESENT:

President Navarro  
Member Fleming  
Member Campbell  
Member Staley  
Member Newton

ABSENT:

None

3. Discussion with regard to the Bureau of Land Management (BLM) property currently leased by the City of Prescott as a possible site for a new PUSD High School.

President Navarro said that the School Board has been considering five different sites recommended through Mike Taylor, one of which is the BLM land which the City of Prescott leases around Pioneer Park (Parcel #3). She then reviewed the other locations as well, indicating them on a map.

Mr. Norwood said that he and Mr. Kapp have discussed this for a long time, but there wasn't a lot of discussion until the Fann annexation came forward, in which there was a 50-60 acre parcel carved out for a potential high school site. He said that there were further discussions about the potential of the City relinquishing some of their land, as they have 400-500 acres in Pioneer Park, so they felt there may be an opportunity there. They had also discussed some type of an appraisal for the property, but no formal discussions, appraisals, etc. have occurred.

Mr. Norwood said that he knew that the School Board was going through the process of considering remodeling the existing high school, or possibly building a new high school at another location.

Member Campbell said that one of the things that made the BLM land appealing was their hope of being able to acquire the site without a large expense, as it is leased by the City for a few dollars a year per acre. He said that there was some talk about appraising it to place a value on it, but he does not know how that would work. Their hope was that the City of Prescott would relinquish the acreage and allow the School Board to apply to BLM to lease the property without having to pay anything.

He said that the other parcels do take some money, and the State Land would have to go to auction. He said that by building a high school on the BLM land it would provide additional amenities for recreational facilities, such as gyms and fields, which would be available for public use. He said that, additionally, it would relieve a lot of the pressure at the Ruth Street location if they used it for those things with less activity.

Mayor Wilson asked the School Board what they paid for the Nature Center land. Member Campbell said that he did not know. Mr. Kapp said that he did some homework and found that in August of 1974 the Brown Family sold the parcel where Abia Judd is located, which included the Nature Center, consisting of approximately 50-60 acres to the School District for \$10. Then, some time after that the superintendent, Abia Judd, gave the City the corner property for a fire station. The City later purchased the Nature Center for \$1.8 million.

Mayor Wilson said that his position personally is that if the School Board charged the City for the Nature Center property, the City should charge for the BLM land.

President Navarro clarified that the BLM land belongs to the BLM; the other land was given to the School District for its use.

Member Staley asked the City what they paid for the BLM land. Mayor Wilson said that the City paid nothing; they lease the land from BLM. Member Staley said that he agreed with President Navarro that they are comparing apples to oranges.

Councilwoman Suttles asked why the School District has to come to the City for BLM land. Member Newton said that there are only certain things that can be done with BLM land. It can be used for recreation, schools, parks, etc. but they couldn't put a Wal-Mart on it, for example. He said that they did not know if the City had plans for that property. Member Campbell said that the City holds the lease on the property; they would have to relinquish a portion of the property in order for the school to apply for its use from BLM. Mr. Norwood noted that the lease was just renewed last year.

Member Staley asked if the City had a planned use for the land. He said that the School District is asking for 110 acres, which seems minor out of the 400-500 acres leased by the City. He said that they are all working for the same taxpayers. He said that they have talked about a joint venture, possibly doing the aquatic center out there.

Member Fleming asked Mr. Kidd if it was legal for the City to ask for money from the School District for the BLM land. Mr. Kidd said that it is; it is an option they would have.

Councilman Lamerson said that he concurred with Member Staley; they are all elected officials working for the same taxpayers. Their job is to look at what is best for the taxpayers.

President Navarro said that the School Board has decided, unanimously, that they need a new high school. The next process is to decide where to put it.

Member Staley concurred with Councilman Lamerson; they should be working together. He asked Mr. Kidd if the City has the ability to say no if the School Board wants to go to BLM. Mr. Kidd said that it is up to the City as to whether they relinquish the property, regardless of whether they have use for the property at that time. It is a policy call rather than a legal call.

Councilwoman Suttles asked if the other sites have any monetary interest. President Navarro said that the Deep Well Ranch (Parcel #1) said that they would sell the property for half of the appraised value. Parcels 4 and 5 are both trust land and they would have to bid, and Parcel #2 is quite some distance away.

Councilman Roecker asked how far along the plans were for the new high school and if they included the cost of purchasing real estate. President Navarro said that right now they are in the process of determining whether to sell or keep the high school. They may decide to sell the current high school and purchase some land. They are trying to make those decisions soon.

Mayor Wilson said that when he first heard of this they were talking about 60-80 acres, and today Member Staley and put out 110 acres. He asked where the differences in acreage are from. Member Staley said that the original 80 was for one high school. If the School Facilities builds it uses around 50 acres. They felt that 80 acres is what they would like to have. When they expanded the idea of including Northpoint at the same location and sharing classrooms, they started thinking of 110 acres. He said that they could use some of the same buildings, science labs, fields, etc. And, they thought the City might want to add the aquatic center as well. Then everyone could use the center, including the high school swim team.

Councilwoman Lopas asked if that meant there would be no high school in town. President Navarro said that is a different issue; they are still in the process of making that decision. She said that they were holding a public forum later in the evening to discuss that issue further.

Councilwoman Lopas asked if they have worked with any groups that do planning—such as school/city planning together, looking at demographics, driving, etc. She said that there are more questions than just the land for her at this point.

Councilman Luzius said that the thing that interests him is the aquatic center as it is something the town needs. If they could work that in with the Board of Education it would be a win-win. He said that they need to know which way the School Board is going.

Councilman Lamerson said that he would be concerned with the location of a new school being so far from the center of town. Member Fleming noted that when the current high school was built it was considered at the edge of town. She said that it seems logical that they would go north as that is where future growth will occur.

Member Campbell said that the current high school sits on 30 acres. It would be a huge challenge to remodel that facility and continue its operation at the same time. As it is, they still would not have enough fields and parking. Member Fleming added that she believes they are not in compliance with Title IX, which requires equal facilities for girls and boys.

Mr. Kapp said that the governing board has a series of public forums followed by potential decision making. Tonight at the High School they will discuss whether to

keep the present campus if and when a new one is built, and in September the School Board will deal with that issue. The following month the forum will discuss what they do with the remaining bond monies.

Mr. Kapp said that if the City relinquished BLM land, they would relinquish on Friday and on Monday the School Board would submit a two-page application for the land, which the BLM could not say no to.

Councilman Luzius asked what would happen to the \$6 million in bond monies if they didn't stay at the existing facility. Mr. Kapp said that with the way the bond was approved, it has to stay in the category of remodel; it would have to be used at Prescott High School. It would have to go back to the voters as he does not think they could move it to a new high school.

Councilman Luzius said that he is a graduate of Prescott High School and it is well known that if there is annexation to be done in Prescott, it is to the north. He said that it is a strategic location and he would like to see a joint venture worked out, all for the good of the kids.

Member Staley said that what they did with the \$6 million is their business. When the City bought the Nature Center they did not ask what the City was going to do with it. It is the School Board's job to do the best for the schools. He said that he remembers talking to Mr. Kapp two and a half years ago about getting BLM land. The reason for this is because there is overcrowding at the Prescott High School.

Mayor Wilson said that it is the School Board's business (what happens to the \$6 million bond money), but he believes that Councilman Luzius is still a taxpayer, so it is his business also.

Councilwoman Suttles stated, in defense of what they were going to do with the Nature Center when the City purchased it, the City bought that property with Open Space funds so it was well known what was going to happen with the property.

Councilman Luzius said that it is his business, as it is for everyone in the community. All he wanted to know was what happened to it if they built a new high school. He is in favor of this.

Councilman Roecker asked if it was the position of the School Board that the BLM lease has no value. Member Staley said that they have not had an opinion. They know its worth according to what the City pays. President Navarro said that they have not discussed that.

Councilman Bell said that if the decision was to use the existing high school for Northpoint, one more year they would have a full-fledged high school. If they did that he asked if they could use the \$6 million to remodel. President Navarro said

that they would have to do that. Councilman Bell said that he thought the decision to go ahead with Northpoint was a good idea.

Member Campbell said that he has heard a number of the Council members say that they cannot make a decision without all of the information. He said that they did not come to the meeting today asking for a decision; they wanted to see if there was a general sentiment of being able to move forward because it affects where they go from there. Mayor Wilson said that he senses that the Council is interested in doing something. He said that of interest to him is an aquatic center and another issue is a joint library facility. He would like to see those put on the table as well.

Mayor Wilson suggested that further discussion drop down to a staff level. Councilwoman Lopas agreed. She said that she didn't think they have worked much together in the past, and this is a great opportunity for them to work together on collaborative issues. She said that one of the issues at the League Conference recently was regarding such joint ventures, and she would like to see something happen.

President Navarro noted that the City and School have worked together before with the fields, tennis courts, etc. Councilwoman Lopas said that they have, but not to the size of this project. She said that a lot of communities hold periodic joint meetings between city and school, and she would suggest that in the future.

Member Staley said that he appreciated Councilman Luzius's support and he may have been too narrow in his comment. What he was trying to say is that it is everybody's business and if they can get land for \$0 instead of \$10 million it is to the benefit of all. He said that they have thought it through, but the first step is to get a piece of land. He said that there are parent groups forming on both sides of the issue, but even if they remodeled at the existing location, they would still be out of compliance.

Councilman Roecker said that the property does have a ton of value to the School District. Mr. Norwood added that the City may not have any specific plans for the land, but the Prescott Circle Trail runs through there, and if they start relinquish land, they would have to buy other land in the future. He said that they have some real financial issues. They are one of the few cities in the country that is land rich, and just because they don't have it master planned today does not mean they can relinquish the land. He would like sit down with Mr. Kapp.

Member Fleming said that she has been on the School Board for 14 years and over those years they have had a few meetings with the Council. She said that they have been very productive and she would like to see more of them. She said that they need to work together as they have the same taxpayers.

Member Newton said that this is one of the sites they have considered. The sooner they have a location selected the better. If the City decided tomorrow to relinquish the land it would probably be two years for it to be given to the School. In the meantime, they have other things to do such as bonding. He said that if the City was out of the game, they would move on so they prefer to know sooner rather than later.

Mayor Wilson said that he thinks they are in the game. He said that they would have Mr. Norwood and Mr. Kapp work together, and once they get closer on issues they could have another joint meeting.

4. Adjournment.

There being no further business to be discussed at the Joint Special Meeting of the Prescott City Council and Prescott Unified School District Board held on August 26, 2008, the meeting adjourned at 2:46 p.m.

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JACK D. WILSON, Mayor

ATTEST:

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ELIZABETH A. BURKE, City Clerk

PRESCOTT CITY COUNCIL  
REGULAR VOTING MEETING  
PRESCOTT, ARIZONA  
AUGUST 26, 2008

A REGULAR VOTING MEETING OF THE PRESCOTT CITY COUNCIL WAS HELD ON TUESDAY, AUGUST 26, 2008, in the Prescott Municipal Building, 201 S. Cortez Street, Prescott, Arizona.

◆ **CALL TO ORDER**

Mayor Wilson called the meeting to order at 3:02 p.m.

◆ **INTRODUCTIONS**

◆ **INVOCATION:** Pastor Jesse Liles of Willow Hills Baptist Church

Pastor Liles gave the invocation.

◆ **PLEDGE OF ALLEGIANCE:** Councilman Luzius

Councilman Luzius 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**

Councilman Luzius said that he had been a student of Ethel Tyson, who recently passed away, in both English and English Literature. He said that one of the things they were taught was the prelude to the Canterbury Tales, and he then recited a few lines. He said that she brought culture to Prescott and she touched his life as well as the lives of many others.

Mayor Wilson said that the Prescott Jazz Summit was recently in town and he attended every event. He said that it provides money for scholarships to students to learn music and he would encourage those interested to get involved; it is a worthy cause.

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

**A. Debra Kaukol re children's education in Prescott area.**

Ms. Kaukol said that today they are educating their young people in the use of solar, wind, biofuels and other alternative energies as solutions to many of their problems. She said that all science standards in educational curriculum in Arizona must include new technologies. She said that the education system relies on hands-on learning and today field trips and educational plans include the history of Prescott, and the value of preserving the creeks and petro glyphs and they are learning first hand stewardship. She said that the students are looking to the citizens as role models, and the role models should be inspiring positive examples of such stewardship.

**II. PRESENTATIONS**

**A. Presentation of Awards for Prescott Police Department.**

Police Chief Randy Oaks presented a Medal of Merit to the wife of Kevin Perlak and to Office Tyler Ellsworth for their work on January 22, 2008 involving a shooting near the Mall. He said that the community is lucky to have such officers working for the City. He explained that Mrs. Perlak was accepting on her husband's behalf because he was currently serving the Country in Iraq.

Mrs. Perlak said that it was an honor to accept on behalf of her husband and she thanked everyone for their support. She said that on that day there is nowhere Kevin would rather have been than with Tyler. She said that he loves his job and his fellow officers and he cannot wait to come back.

**B. Presentation of "No More Lip Service" by the Prescott Fire Department on new CPR Techniques.**

Don Devendorf, Battalion Chief in Charge of Emergency Medical Services of the Prescott Fire Department, gave a brief PowerPoint presentation on the history of the EMS division of the Prescott Fire Department and new CPR techniques the department is now using.

**C. Introduction of new businesses.**

Susan Cohen of the Prescott Chamber of Commerce presented the following new businesses, who each gave some information on their respective businesses:

- ▶ CertaPro Painters
- ▶ Shilreff Insurance and Financial
- ▶ AIM Mail Center

D. Presentation re Antelope Hills Golf Course RFP (Request for Proposal) Process.

Administrative Services Director Mic Fenech gave a PowerPoint presentation (Exhibit A attached hereto and made a part here) which covered the following:

- ▶ Summary
- ▶ What We Know
- ▶ The RFP is on Hold
- ▶ Will turning the golf course over to a Management Firm result in more income for the community?
- ▶ Will turning the golf course over to a Management Firm take the City out of the golf business?
- ▶ Going Forward
- ▶ Unintended Consequences to General Fund

Councilwoman Suttles and Councilman Lamerson said that at this time they both believe that the golf course is an asset for the City, as are fields, parks, etc. The Council asked staff to come up with ideas during the budget process and they appreciated what staff has done, but they agreed that they should hold off at this time in requesting Requests for Proposals. Councilman Luzius said that he was never in favor of privatization, and agrees with the others that they should hold off.

Mayor Wilson said that he would like to separate the golf course from the restaurant and consider just privatizing the restaurant.

Councilman Bell said that he remembers when they did privatize the restaurant and the disaster it became. The golf course and restaurant are intertwined and they need to keep them that way.

Councilman Roecker said that he agreed, noting that when it first started he felt the City should not be in the restaurant business, but looking at

how things have been going, they should keep the golf course and restaurant together.

Councilman Luzius said that he agrees with the “other Bobs.” When the restaurant first came back to the City he voted against it, feeling they shouldn’t be in the restaurant business, but Mr. Fenech has turned it around and he believes it is a viable part of the golf course.

Councilman Lamerson said that he agreed with the “three Bobs.” They are not in the “restaurant business” or “golf business,” it is a piece of public infrastructure and it is an asset of the City.

Councilwoman Suttles said that she agreed with the others, that the golf course and restaurant should stay together in a package. Councilwoman Lopas agreed, noting that now is not the time for privatizing.

### III. REGULAR AGENDA

- A. Reappointment of members to the Advisory and Appeals Board and Employee Appeals Board, and appointment of members to the Parks and Recreation Board.

Ms. Burke reviewed the vacancies that were open and recommendations made by the Council Appointment Committee. Mayor Wilson asked those present to come forward.

**COUNCILMAN LUZIUS MOVED TO ACCEPT THE COUNCIL APPOINTMENT COMMITTEE’S RECOMMENDATIONS TO RE-APPOINT HARRY WELLINS, GILBERT PHELPS AND DON AMOS TO THE ADVISORY AND APPEALS BOARD, TERMS TO EXPIRE 02/2011 AND REAPPOINT WILLIAM SKIBBE TO THE EMPLOYEE APPEALS BOARD, TERM TO EXPIRE 07/2011; SECONDED BY COUNCILMAN LAMERSON; PASSED UNANIMOUSLY.**

**COUNCILWOMAN SUTTLES MOVED TO ACCEPT THE COUNCIL APPOINTMENT COMMITTEE’S RECOMMENDATION TO APPOINT JANELLE RIEDL TO THE PARKS AND RECREATION BOARD, TERM TO EXPIRE 08/2009; MICHAEL KING AND JOE BAYNES TO THE PARKS AND RECREATION BOARD, TERMS TO EXPIRE 08/2010; AND ALI SCHROEDER AND BOB BOCKRATH TO THE PARKS AND RECREATION BOARD, TERMS TO EXPIRE 08/2011, AND AFTER THAT TIME ALL TERMS WILL BE FULL THREE-YEAR TERMS; SECONDED BY COUNCILMAN BELL, WITH THANKS; PASSED UNANIMOUSLY.**

- B. Adoption of Resolution No. 3903-0905 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona authorizing the City of Prescott to enter into a Library Service Agreement for FY2008-2009 with the Yavapai County Library District to participate in cooperative funding to the benefit of the City of Prescott Public Library, and authorizing the Mayor and staff to take any and all steps necessary to accomplish the above.

Library Director Toni Kaus said that this request relates to the Yavapai County Library District which annually assesses a property tax on Yavapai County citizens to provide library services. She said that Council is being asked to authorize the resolution to accept the transfer of \$561,101.00 of those funds to the City of Prescott to be used for library services, which is a five percent increase over last year.

**COUNCILMAN ROECKER MOVED TO ADOPT RESOLUTION NO. 3903-0905; SECONDED BY COUNCILMAN BELL; PASSED UNANIMOUSLY.**

- C. Approval of Real Estate Purchase Agreement with the Harold James Family Trust for approximately 80 acres of real property located in the Granite Dells for open space purposes.

Parks and Recreation Director Debbie Horton gave a review of the open space purchases that have taken place in the Granite Dells area and how this proposed purchase would tie in with them.

Mr. Norwood said that the Council has made the Dells area a high priority for the purchase of open space, and this piece is an integral part of it. He said that Ron James approached him regarding this parcel and he had explained to Mr. James that the City did not have a lot of money. Mr. James agreed to sell the property to the City at ten percent less appraised value and also permitted the purchase to take place over two fiscal years with no interest. He said that they really appreciate what Mr. James and his family has done for the City.

Mr. Ron James address the Council stating that he appreciated that they are looking at purchasing the property, which he thought would be a win-win for everyone. He said that they purchased the property about 15 years ago for preservation and someone wanted to build a hotel there. He said that they are glad to pass the torch to the City for the property to be kept as open space.

Councilwoman Suttles asked who maintains the trails. Ms. Horton said that she currently has Chris Hosking who works on the trails as permitted, and he dedicates a lot of his own time She said that they are

handicapped by a lack of staff, but they do what they can one day, and rock, at a time. Councilwoman Suttles added that the Over the Hill Gang may bring in others to help as well.

Councilwoman Lopas noted that she did some work with Nancy Burgess and found that a military plane crashed in the area in the 1960's and four servicemen perished. When they do get the trailhead in, they would like to dedicate it to them.

Mr. Kidd said that he had met with Sal Lutey and Mr. James, and Mr. Lutey has been out of the office and did not have a chance to review the final document. They wanted to make sure that they knew that the motion is recommending that they do the agreement in substantially the same form, and they did not believe the terms of the contract would change

**COUNCILMAN BELL MOVED TO APPROVE A REAL ESTATE PURCHASE AGREEMENT WITH THE HAROLD JAMES FAMILY TRUST FOR APPROXIMATELY 80 ACRES OF REAL PROPERTY IN THE GRANITE DELLS, FOR OPEN SPACE PURPOSES, AND AUTHORIZE THE MAYOR AND CITY STAFF TO TAKE ALL STEPS NECESSARY TO COMPLETE THE PURCHASE; SECONDED BY COUNCILWOMAN LOPAS; PASSED UNANIMOUSLY.**

- D. Approval to purchase six 2-8W Analog VHF Control Stations from the Sedona Fire District at a cost of \$32,986.48.

Chief Oaks said that for a number of years they have been trying to have compatibility and radio communication between the City and Yavapai County. In order to do that there are two regional communication centers—Sedona Fire District and City of Prescott. The Yavapai County Sheriff's Office operates its own dispatch center and everyone is known as PSAP (Public Safety Answering Point). For every PSAP there has to be a backup and in order to do that the City has to provide equipment for the Yavapai County Sheriff's Office's PSAP. The City got a grant in 2006 and this is the final piece of that puzzle. The reason they are purchasing it through the Sedona Fire is because they have an IGA dating back to 2005 and there is some economies of scale for them to buy equipment for both agencies.

**COUNCILMAN LUZIUS MOVED TO APPROVE THE PURCHASE OF SIX 2-8W ANALOG VHF CONTROL STATIONS FROM THE SEDONA FIRE DISTRICT AT A COST OF \$32,986.48; SECONDED BY COUNCILWOMAN LOPAS; PASSED UNANIMOUSLY.**

- E. Adoption of Ordinance No. 4664-0907 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, granting and recording an underground utility easement to Arizona Public Service Company (APS) across certain City property located at Ernest A. Love Field to provide for service to the terminal expansion unit soon to be completed by the City for use by Horizon Airlines by their start date of September 8, 2008 and authorizing the Mayor and staff to execute all necessary sale and conveyance documents, and declaring an emergency.

Airport Manager Ben Vardiman said that this is for an underground utility easement to Arizona Public Service for the terminal expansion, and provides for an emergency clause in order to accommodate the new airline coming in.

**COUNCILWOMAN LOPAS MOVED TO ADOPT ORDINANCE NO. 4667-0907; SECONDED BY COUNCILMAN LUZIUS; PASSED UNANIMOUSLY.**

- F. Approval of Capital Lease for Golf Course Carts and Finance Computer System with De Lage Landen Public Finance LLC.

Mr. Woodfill said that this item is for the financing of the golf course carts and finance computer system. He said that they went out to bid and only received one bid, but it was a good one with a rate of 4.09% for five years.

**COUNCILMAN LAMERSON MOVED TO AUTHORIZE STAFF TO ENTER INTO A CAPITAL LEASE WITH DE LAGE LANDEN PUBLIC FINANCE LLC AND TAKE ALL STEPS NECESSARY TO COMPLETE THE TRANSACTIONS; SECONDED BY COUNCILWOMAN SUTTLES; PASSED UNANIMOUSLY.**

- G. Adoption of Resolution No. 3904-0906 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona authorizing the application and acceptance of a grant for Local Transportation Assistance Funds (LTAF II) to assist in the continued funding of the transit voucher system program.

Mr. Guice said that these funds have been used for continuation of the voucher transit program, and they recently received notification of eligibility of an additional \$77,778.00 in funds. The Memorandum of Understanding was approved with NACOG in June of this year for administration of the program. With these additional funds they will be able to support the program at \$120,000.00 for this fiscal year, similar to

the last two years, with a carryover of a little over \$20,000.00 into next year.

Mayor Wilson said that NACOG sent out a letter stating there would be no vouchers and it got the citizens upset. He said that they need to get this to the media that it will be funded, although there is no guarantee of next fiscal year.

Councilman Bell asked, knowing that CYMPO is working on transit, if that would change this program. Mr. Guice said that he believes it will be one of the alternatives. He said that those funds would qualify for a transit system.

Councilman Bell said that he does not like that NACOG takes \$15,000 for administration of the program as that takes those funds away from the actual vouchers.

Mayor Wilson said that in the transit meetings he has attended, the vouchers would not go away, even with transit.

Councilman Luzius said that CYMPO is working on an implementation plan and it has not been determined how the transit system will be constructed. Some of the need is for handicapped people to be transported from a  $\frac{3}{4}$  mile area from the bus lines, so they will still be a part of the system.

**COUNCILMAN LUZIUS MOVED TO ADOPT RESOLUTION NO. 3904-0906; SECONDED BY COUNCILMAN LAMERSON; PASSED UNANIMOUSLY.**

- H. Approval of Preliminary Plat for Great Escape Condominium, a planned area development, comprising 45 units on approximately 2 acres located on Cirrus Drive, Prescott Airpark; Zoning is Industrial Light; Owner is Investment Potential, LLC; Agent is Robert Buford (PP08-003).

Mr. Guice said that this is a warehouse condo project near the airport and part of the request is for a waiver from the open space requirements. The Planning and Zoning Commission unanimously recommended approval and the owners were at the meeting if there were any questions.

Mr. Berferd, 339 S. Cortez, said that these units are called condominiums because it is just a legal way of dividing the properties. The actual use of the spaces is separate from the word "condo." Each individual space will be available for sale and platted as such, but there will be no water or sewer.

**COUNCILWOMAN LOPAS MOVED TO APPROVE THE PRELIMINARY PLAT FOR GREAT ESPACE WAREHOUSE CONDOMINIUMS WITH THE APPROVAL OF PAD OPEN SPACE WAIVER (PP08-003); SECONDED BY COUNCILMAN BELL; PASSED UNANIMOUSLY.**

- I. Approval to purchase a sweeper for the Field Operations Department, Streets Division, in the amount of \$196,920.81, through the H-GAC contract, from Norwood Equipment.

Chad McDowell said that staff found this unit in Phoenix and it will be available in two weeks. He said that the sweeper was approved through the H-GAC contract. He noted that the department actually had two sweepers to be replaced, but they have backed off on purchasing the second unit. He said that by purchasing this unit, they were able to save around \$14,000.00.

Councilwoman Suttles asked how old Unit 1008 was. Mr. McDowell said that it was five years old. He said that they had anticipated that the units would run for eight to nine years, but with the aggressive sweeping being done night and day, they are seeing a maximum length at five years.

**COUNCILMAN LAMERSON MOVED TO APPROVE THE PURCHASE OF ONE 2007 FREIGHTLINER BROOM BEAR SWEEPER FOR \$196,920.81, THROUGH THE H-GAC CONTRACT, FROM NORWOOD EQUIPMENT; SECONDED BY COUNCILMAN LUZIUS; PASSED UNANIMOUSLY.**

- J. Approval of Purchase Contract with Prescott College for the sale of real property located off Grove Avenue.

Mr. Kidd explained that a few years ago the City purchased the DES building and the parcel behind the building, and eventually sold the DES building itself to Prescott College. This item is for sale of the parcel behind the building. He said that staff went out for proposals, and only received one proposal from Prescott College

**COUNCILWOMAN LOPAS MOVED TO APPROVE THE PROPERTY PURCHASE AGREEMENT FOR SALE OF A VACANT PARCEL LOCATED AT 234 GROVE AVENUE TO PRESCOTT COLLEGE AND AUTHORIZE STAFF TO EXECUTE NECESSARY DOCUMENTS FOR THE PROPOSED SALE; SECONDED BY COUNCILMAN ROECKER; PASSED UNANIMOUSLY.**

- K. Approval of cost reimbursement in the final amount of \$177,876.00 for public water system improvements made by Harvest Holdings Group, LLC, in conjunction with the Peregrine Townhomes subdivision.

Mr. Nietupski said that this item was to reimburse Harvest Holdings Group, LLC, for a portion of costs incurred in the design and construction of the Peregrine pump station to increase water pressure and fire flow to areas outside the Peregrine Townhomes subdivision, for general public benefit. He said that in the early part of the process they had additional costs incurred for certain value-added items requested by the City.

**COUNCILMAN LUZIUS MOVED TO APPROVE COST REIMBURSEMENT IN THE FINAL AMOUNT OF \$177,876.00 FOR PUBLIC WATER SYSTEM IMPROVEMENTS MADE BY HARVEST HOLDINGS GORUP, LLC, IN CONJUNCTION WITH THE PEREGRINE TOWNHOMES SUBDIVISION; SECONDED BY COUNCILMAN BELL; PASSED UNANIMOUSLY.**

- L. Approval of Amendment One to Contract No. 08-094 with Briggs Appraisal & Consulting for right-of-way acquisition services for the Demerse Avenue Reconstruction Project in the amount of \$28,000.00.

Mr. Nietupski said that they found 26 small areas needed to be acquired for this project, and this would provide for \$1,000 for each parcel, along with a fee for putting together the comp information.

Councilman Luzius asked when they anticipated the Demerse project being completed if this was approved. Mr. Nietupski said that they would need to have the right of way in hand, and have been waiting on the gas company prior to advertising the job.

**COUNCILMAN LAMERSON MOVED TO APPROVE AMENDMENT ONE TO CONTRACT NO. 08-094 WITH BRIGGS APPRAISAL & CONSULTING FOR RIGHT-OF-WAY ACQUISITION SERVICES FOR THE DEMERSE AVENUE RECONSTRUCITON PROJECT IN THE AMOUNT OF \$28,000.00; SECONDED BY COUNCILWOMAN LOPAS; PASSED UNANIMOUSLY.**

- M. Adoption of Res. 3905-0907 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona authorizing the City of Prescott to enter into an Intergovernmental Agreement with the Yavapai County Flood Control District (YCFCD) and accepting funding in FY09 for an updated Determination and Mapping of the 100-year Floodplain of Granite Creek and authorizing the Mayor and staff to take any and all steps necessary to accomplish the above.

Mr. Nietupski said that this item is to accept funding in this fiscal year from the Yavapai County Flood Control District in the amount of \$100,000.00 for an updated determination and mapping of the 100 year floodplain of Granite Creek. He said that the Flood Control District approved the IGA on August 21, 2008.

Councilman Bell questioned the gap in the study areas, where the Tribal land was located. Mr. Nietupski said that the Tribal boundaries are outside of the study, but they will have the benefit of understanding that facility to the extent they can get information from the Tribe and any topographical maps. They will have to make some assumptions as they do the project. He said that the final product will be submitted to FEMA for approval.

**COUNCILWOMAN SUTTLES MOVED TO ADOPT RESOLUTION NO. 3905-0907; SECONDED BY COUNCILWOMAN LOPAS; PASSED UNANIMOUSLY.**

- N. Adoption of Water and Wastewater Capital Improvement Plans and Ordinance No. 4665-0908 setting water and wastewater development fees.

Mr. McConnell said that this subject has been the topic of discussion on a number of occasions stretching from April 1, 2008. He said that the Statutes prescribe the public process for considering utility rates and development of impact fees. It has been since October 2007 that the contract engaging Economists.com was approved. The study for fees and rates for both water and wastewater were very extensive because major updates were required, but more specifically a tremendous amount of work was required for wastewater due to the results of the sewer model.

Mr. McConnell said that today was the earliest date in the process that action could be taken; however action did not have to occur today. He said that the Council could provide additional time for approving the ordinance as well as the capital improvement plans, all of which are formal documents prescribed by the Statutes.

Mr. McConnell said that the Council has received a summary of the meetings held between staff and representatives of the Yavapai County Contractors Association, and they are represented today and may wish to speak, and Mr. Jackson from Economists.com was in attendance as well.

Mr. McConnell explained, for the benefit of the public, that the background is provided in the Study. It is an extensive study to result in a ten year financial plan for development/impact fees and that funding

resource supports the infrastructure which is needed for new development, versus existing infrastructure needs which are addressed through rates.

Mr. McConnell said that the City does have serious shortcomings with respect to their sewer systems as it was not dealt with, in terms of capacity, for decades. In the developed areas they have no capacity. The Iron Springs Road project included upgrading of sewer systems, but they have similar needs as that sewer system is routed down to the treatment plant.

Mr. McConnell said that they have different types of projects in the capital improvement plan and what they have is a ten year financial plan to finance a package of projects. One view is that by doing these projects the City would be poised when the economy does come back.

Mayor Wilson asked when the last time that wastewater impact fees were raised. Mr. McConnell said that it was back in 1991. He said that in the past there was capacity created, and they have consumed that capacity. Mayor Wilson said that they have neglected their jobs as elected officials and now they are put in a crunch. He doesn't like the 10,000 foot view, he likes the 1 foot view and if they don't approve the fees, they won't do the projects.

Councilwoman Lopas said that she doesn't disagree that they need to do something about the fees, but one thing she is concerned with is the structure. One of her passions is affordable housing and since a lot of the affordable housing is built close together and have less infrastructure costs, perhaps their rates should be addressed differently.

Mr. Jackson said that is an issue commonly raised. The thing about impact fees is that under State guidelines they have to have a certain amount of capacity available for every type of home. When they look at impact fees, they look at an entire area. They don't want to calculate impact fees for every type of use. They could argue that someone living closer requires less infrastructure, but they balance the fact that they have the same cost for living unit equivalent and balance the fact that it is unreasonable to calculate by individual living unit, which no city does. He said that the retail businesses don't charge less if they make less. All the City is doing is trying to reimburse that cost.

Councilwoman Lopas said that she hears what they are saying, but she disagrees; there is a point where it does not balance. She said that there have got to be some other ways to structure the fees and she wants input from the citizens.

Mayor Wilson said that he believed that the State Statutes prohibit a municipality from waiving fees for a class. He said that he has talked with Mr. Spritzer who has developed affordable housing projects and he just wants a change on when they are paid; he does not oppose the amount.

Councilman Lamerson said that his comments are similar to those of Councilwoman Lopas. He said that the City's sales tax revenues are down and a significant portion of those revenues is related to construction. Building permits are down and raising impact fees at this time seems counterproductive.

Mr. Jackson said that impact fees are an economic decision, but they are a social and community decision as well. When growth occurs the City incurs costs; the question is who pays that cost. They can do it with the impact fee, and if they set those impact fees at less than the maximum, they are making the policy decision that those already here should pay a little more to subsidize growth.

Mayor Wilson said that in Arizona their revenue sources are limited by Statutes. They only have a few they can use. The City's property taxes are severely restricted and are very low and difficult to raise. He said that there is a "growth pays for growth" policy in the state.

Councilwoman Suttles said that they would probably not have been in this situation five to six years ago when the economy was up. She thinks the rub right now is that in June or July of this year they had 70 permits. At one time they were at 300 or more. She said that this is what Mr. Jackson does for a living, but some people question some of the numbers that have been plugged in. She said that there has been talk of including the public more and if they could phase it in. She asked how long the study would be good for. Mr. Kidd said that in legal terms, they would have enough time to consider the details and a few members have asked that. It becomes a question of how long the study would remain current; the further away from the time the study was performed, the less usable it would be.

Mr. Jackson said that if a decision is made to defer the fees, he would recommend that the Council go back and re-evaluate the water and wastewater rates. The plan indicates that if the fees are not adopted, the rates would have to be higher to cover the costs, or they just don't do the work. Mayor Wilson said that if they defer, they are talking about cutting out projects. They either have citizens subsidize growth or they don't have growth.

Councilman Roecker said that he has not talked to anyone who does not think they should not have impact fees or have growth pay for growth, but the economy is hurting all across the country. He thinks they should defer for a date certain, perhaps 90 days, and have a group of citizens come together and bring something to the Council.

Mayor Wilson asked if waiting 90 days would make the study invalid. Mr. Jackson said that whether the same plan can be put back into place is hard to say. There are many different things that interact in a financial plan, but it is a long-term plan. It may require a modest modification to next year's water rates; it would have to be looked at.

Mayor Wilson reviewed the mechanics of what was being proposed. If they defer until December 2, they could then approve what is on the table or look at alternatives. If they go with something other than what is proposed, he asked what would have to occur. Mr. Kidd said that they would have to bring the study current to make it legal; they would have to do a supplement. Mayor Wilson said that if it does not come out the same, they would have to go back through the hearing process, putting them out at another 185 days.

Councilwoman Suttles asked if they would be looking at another contract with Economists.com if they defer. Mr. Jackson said that it would not be near as much; it would be along the lines of an update.

Councilman Luzius said that he is not in favor of deferring. They had the opportunity two years ago to raise the fees, and they only raised police and fire. As long as there is no increase in impact fees, the citizens are paying for the infrastructure. He said that the 71 building permits this year are not because of the impact fees, it is because of a financial crunch. He agrees that they need to put the fees in place and move forward.

Councilman Bell said that he would be in favor of deferring for a short amount of time, such as 45 days, which would allow more input without having to increase Mr. Jackson's fees. Councilman Roecker said that if that was what it took, he would be okay with 45 days. Councilman Luzius said that he felt the same way as stated previously.

Councilwomen Suttles and Lopas both said they were okay with 45 days. Councilman Lamerson said that he doesn't agree with any of it as he does not agree with impact fees to begin with, but he knows they have to do something, so he would be okay with 45 days.

Sandy Griffis, representing the Yavapai County Contractors Association, she that she appreciated the concerns and willingness to make this a win-win. She said that 45 days is doable; they would rather see the 90 days.

She asked why they should rush through something and afford to make a mistake in the review of Mr. Jackson's report.

Howard Mechanic, 309 Bloom Place, said that for many years he has supported impact fees; it has been long enough. Two years ago the YCCA complained about impact fees; then it was for another reason. He said that they will come back and take apart the study, delaying it another six months.

Mr. Mechanic said that affordable housing should not be tied into the discussion. They have the right to subsidize affordable housing. They can put aside money for affordable housing, but he has not seen anyone do that. They should not release the homebuilders from the responsibility of paying impact fees. He said that Mr. Lamerson said there is another way to have it paid for, by having others pay for it. He said that a month ago they came and said they have a lot of creative minds, and he asked where the resolutions were since last month. He said that what has been proposed may not be perfect, but they need to pass it.

Gary Hudder, President of YCCA, said that he thinks they have gotten off track as to what YCCA is after. It is not that they don't agree that growth should pay for growth. They are in the infrastructure construction business. He said that if there is no growth, there is no infrastructure. The point they are trying to make is they are in a cycle that construction is down, there is not going to be a significant loss in that delay of 90 days. They are supporting the ten-year plan and revenue that can be generated from the ten-year plan. He said that there are plenty of places to go build, but they may not build in Prescott. He said that it is a quality of life issue and they have an inherent interest.

Mayor Wilson said that he had previously offered a 30-day delay so the 45 day delay would be even better for them.

Bill Kindig, 4866 Commanche Trail, said that he cannot believe what he is hearing. They have not raised fees for 14 years; they have delayed making decisions repeatedly. At the next meeting the YCCA will ask for more time. He cannot think of a better time to be letting construction contracts. It sounds like they are going to do it when construction is booming again. He recommended that if they are going to delay, that they ask the budget office to come back with a list of things that get cut with every delay. Mayor Wilson said that he would like to know what impact such delays will have on the projects themselves.

Leslie Hoy, 1880 Coyote Road, said that the 90 days is just 90 days more so the YCCA and Chamber can continue to lobby the Council. They have already spent \$137,000 of the taxpayer's money and it is an insult to

Mr. Jackson that a group is going to come forward with no experience and do something better. She said that the citizens who are about to get stuck with a big bill are not organized; perhaps they need to organize so they can call and lobby the Council. She said that they need to make a decision now, one way or the other.

Daniel Timmons, Global Water Resources, 2788 E. Granite Gardens, said that it may be inappropriate to lump the water resource and wastewater fees. The growth-related component of the capital improvements project includes approximately \$65 million for the Big Chino Water Ranch project. Two weeks ago the councils of Prescott and Prescott Valley discussed the opportunity for a public/private partnership and with the recent decision to move forward with an RFP for that project it may be prudent to wait until the results of that study are completed before raising fees.

Dave Maurer, CEO of the Prescott Chamber of Commerce, said that it is not a stall tactic. They all agree and understand the reason for impact fees. None of them have said they want to do away with them, but there are some questions that they have yet to be answered. They would like to work with the staff and consultants.

Ed Burdick, 123 S. Mt. Vernon, said that in looking at the dissertation, the important thing is smart growth. If the fees have not been raised for 14 years, the individual taxpayers in Prescott have been subsidizing the contractors that have been building. Such fees are a small percentage in the overall cost of a home, and they are transferred to the buyer. He suggested that the contractor may have to give a little bit of his profit. He said that the object is to go ahead and bite the bullet.

Chuck Merritt, 623A Miller Valley Road, said that he has been a resident of Yavapai County since 1979, and he has been a part of the growth that has occurred. He said that growth should occur, but those that think that the general contractor has had a free ride are mistaken. He said that they cannot absorb the costs and take it out of their profit. He said that to expect the contractors to give up some of their profits to make the City grow is not fair. He said that there has to be a way of implementing this without crushing something that is already down.

Jim Lawrence, 345 High Chaparral Loop, said that he was a member of the citizens committee to propose the majority of the impact fees. They did them in a little over a year meeting two times a month, and he questions what they expect to accomplish in 45 days. He said that realistically there are only two ways to pay for the infrastructure, either from growth or from the existing people. If it comes from growth, it can be charged at various times. He said that the second issue is whether the

study was properly calculated. He said that is more involved, but there is a method of redress if it was not done properly.

Tom Haley said that he is a long-time resident of 48 years or so. Most of that time has been as a contractor. He said that he would encourage the Council to wait at least 45 days to review this. He does not know if there is anything to be done, but it is a big hit for the economy in Prescott, whether they're a contractor or a jeweler, it is a little more pleasant to live around here when it is a good economy. There may be no other way, but he'd encourage them to take that 45 day period to try and soften the blow. There is a constant growth versus no growth battle. A stagnant community is usually a stagnant economy.

**COUNCILMAN BELL MOVED TO DEFER CONSIDERATION OF THE ITEM TO THE SECOND ROUND OF MEETINGS IN OCTOBER (OCTOBER 21); SECONDED BY COUNCILMAN ROECKER.**

**MAYOR WILSON ASKED THAT THE MOTION BE AMENDED TO ESTABLISH MR. MCCONNELL AS THE POINT PERSON FOR THE CITY, SANDY GRIFFIS FOR THE YCCA AND DAVE MAURER FOR THE CHAMBER. COUNCILMEN BELL AND ROECKER AMENDED THEIR MOTION AND SECOND, RESPECTIVELY, TO INCLUDE THAT, ALTHOUGH COUNCILMAN ROECKER DID NOT WANT TO EXCLUDE ANYONE ELSE.**

Ms. Hoy said that if there is a committee created, she would like to be on it. Mr. Hudder said that he would be in favor of that.

**MOTION PASSES 6-1 WITH COUNCILMAN LUZIUS CASTING THE DISSENTING VOTE.**

- O. Approval of the Minutes of the Prescott City Council Joint Workshop of August 15, 2008 and the Regular Voting Meeting of August 15, 2008.

**COUNCILWOMAN SUTTLES MOVED TO APPROVE THE MINUTES OF THE PRESCOTT CITY COUNCIL JOINT WORKSHOP OF AUGUST 12, 2008 AND THE REGULAR VOTING MEETING OF AUGUST 12, 2008; SECONDED BY COUNCILWOMAN LOPAS; PASSED UNANIMOUSLY.**

**IV. ADJOURNMENT**

There being no further business to be discussed, the Combined Study Session/Regular Voting Meeting of the Prescott City Council held on August 26, 2008 adjourned at 6:10 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 Combined Study Session/Regular Voting Meeting of the City Council of the City of Prescott, Arizona held on the 26th day of August, 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