

PRESCOTT CITY COUNCIL
WORKSHOP
TUESDAY, FEBRUARY 10, 2009
PRESCOTT, ARIZONA

MINUTES of the Prescott City Council Workshop held on February 10, 2009 in the City Hall Council Chambers, 201 South Cortez, Prescott, Arizona.

◆ CALL TO ORDER

Mayor Wilson called the Workshop to order at 1:00 p.m.

◆ ROLL CALL

PRESENT:

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

ABSENT:

Councilwoman Lopas

1. Discussion of Council Goals/Budget.

Mr. Norwood said that this year they had cancelled the Goals Retreat in an attempt to save some money. He said that today's Workshop was not to try and do 2 ½ days' worth of work, but to provide a brief recap on what has been done with the goals adopted in January of 2008. He then began a PowerPoint presentation which addressed the following:

▶ Unsewered Areas

Councilwoman Suttles said that her understanding was this was not just the North Prescott Sewer Improvement District, but all of the unsewered areas. Mr. Norwood said that was correct. He said that there are several hundred unsewered properties.

Councilwoman Suttles asked what they were to do with it. Mr. Norwood said that is the direction staff would like from Council. It could possibly be formation of a new goal, implement it, or possibly consider a watershed protection fee, which was previously recommended. He said that the proposed fee of \$.70 a month would not build millions worth of infrastructure.

Councilman Lamerson said that the Committee's recommendation was based on the understanding that 100% of the aquifer protection does not rest on the

shoulders of just the unsewered area; the entire City is responsible. The idea of \$.70 a month on water bills for the aquifer was to be spread out to all of those liable. Mr. Norwood said that was correct. He said that part of the January approval of the pipeline included the watershed quality level.

Councilman Roecker asked for clarification on how the fee would look legally. Mr. Norwood said that it would be put on everyone's water bill, but before they could do that there would need to be some type of study done, showing how they arrived at that number. Councilman Roecker asked if the Council had that authority. Mr. Norwood said that they do once a study is done; similar to the impact fee studies.

Discussion was held on whether it would be a charge forever. Mayor Wilson explained that it was not decided at this point. They would need a study to determine what projects would be funded, etc. Mr. Woodfill said that it would be a restricted fund, and the money could only be used for that purpose.

Councilman Luzius said that in 1995 the City initiated a \$.75 a month fee for street lights. He asked how long that charge will go for. Mr. Woodfill said that he can give the Council an accounting of that fund, but was not prepared to do so today.

▶ Long-term Sustainable Water

Mr. Norwood said that the City does have a short-term water policy. This item is awaiting ADWR's final decision; it is still a few months out of knowing the final resolution of the item, so it will stay on the list.

▶ Photo Enforcement for Red Lights and Speeding

Mr. Norwood said that staff has finalized the RFP for this item, but prior to going out they would bring it back to Council for review to be sure it says what they want. He said that he did want to make the Council aware that there are 8-10 bills before the State Legislature proposing changes to these laws. He said that this may be something they postpone until they see what is done at the State level.

Council members agreed to hold on this item. Mr. Norwood said that he would remove it from this year's list and they could reconsider next year.

▶ Downtown Fire Station.

Mr. Norwood said that a new design was approved unanimously by the Prescott Preservation Commission, which went from four to three bays, and removed some of the arches. He said that he does not expect any building on this for the

next five to seven years, unless the Council decides differently. He sees it coming off the list, and revisiting it in the future. He said that the Fire Administration is not renewing their lease and will be making other plans for the short-term.

Mayor Wilson asked what the updated costs were with the changed design. Mr. Norwood said that it was at \$6.2 million. Councilman Bell asked Mr. Woodfill how much of the \$570,000 had been spent for this project. Mr. Woodfill said that it was around \$165,000 total.

Councilman Luzius said that he had a concern with putting this off for five to seven years; he would hope that if the funds become available they would consider it at an earlier date, as it does affect the public safety. He said that he was concerned and disappointed that it went to three bays.

Mr. Willis said that if it is postponed, it will impede the service they provide a little from plan reviews to where employees are and some of the response times, but in these times, it is something they have to do.

Councilman Luzius said that it would affect the insurance rate for businesses in the downtown area. Mr. Willis said that it would not affect them right now unless the City asks for an ISO rating review, and in the current state of things they would not ask for one. Councilman Luzius asked if someone could force the City. Mr. Willis said that they could randomly say they are going to do a rating, but they are so backlogged it is unlikely.

Councilwoman Suttles asked them to explain ISO rating. Mr. Willis said that the commercial and residential insurance rates are set by ISO. They rate fire protection based on a scale of 1-10 with 1 being the best. They take into consideration such things as communication, training, community water system, location, staffing, etc. He said that in the City of Prescott they have a Class 4 rating.

► Business Licensing

Mr. Norwood said that the Mayor had a subcommittee of the Economic Development Committee that was looking at this issue further. Mayor Wilson said that they put together a group of people interested in the issue. He said that they have a one-page fact sheet delineating the benefits to small business, and they are in the process of getting that message out to small businesses. When they bring it back they would like to be able to bring it back without controversy.

Councilwoman Suttles asked the Council if they were willing to get into it or pull the item from the list. Councilman Luzius said that he would prefer to hold off in view of the economy and considering the fact they are planning to go back to the voters in September on the 1% tax.

Councilman Bell said that the Chamber has come to them and asked a few questions regarding the justification of \$45 and what would be done if there was money left over, as well as what kind of information would be required on the application. Mayor Wilson said that Ms. Bristol responded to those questions and the last he heard was that they would probably be in favor if those questions were answered to their satisfaction.

Ms. Bristol said that they answered all three questions, but has not discussed it again with the Chamber.

Councilwoman Suttles asked if the Council members were willing to leave the item on the list. Councilman Bell said that he would keep in touch with the Chamber, but the general consensus in the community is now is not the time. He said that some say they are the only city of their size without one, but they do not have to have everything that everyone else has.

Councilman Lamerson said that he agreed with Prescott being different and he does not support it. He does not see the value.

Councilman Roecker said that he has been opposed since day one and he will remain opposed.

Mayor Wilson said that he would prefer that they wait for the Mayor's committee to come back for any action to be taken.

▶ Citywide Community Capital Projects Plan

Mr. Norwood said that this is on hold until 2010 and he would take it off the list unless he heard otherwise. Councilman Roecker asked if they had spent any money on this. Mr. Norwood replied that they had not.

▶ Affordable Housing

Mr. Norwood said that at the meeting last Tuesday they had a presentation given on this and had different strategies presented. He said that this would be something brought back to the Council at a later date. He would suggest keeping it on the list and bringing back policies, programs, etc.

▶ Boundary Agreements

Mr. Norwood said that they are still working on this one. They are in agreement with Prescott Valley, but they still have issues with Chino Valley and the utility tax, sale of the water system, etc. that muddies the water. He said that they will keep this on the list, but it will be slow moving. Mr. Woodfill said that it is more of a legal issue.

Mr. Podracky said that it was not the time to be discussed in a public forum. Mayor Wilson said that they were attempting to sell the water resources but were unable to get that accomplished and they have legal issues with the transaction tax. He asked Mr. Podracky when he thought they would be able to discuss the issues publicly. Mr. Podracky said that it would be around six months. Mr. Norwood said that they could leave it on the list or separate the items and address them separately.

Councilman Roecker asked if staff knew whether any of the school districts were discussing their future boundaries. Mr. Norwood said that he was unaware of any such discussions.

Councilman Lamerson asked if they wanted to leave it on the list. Mr. Norwood said that they could remove it and bring it up again next year when they have more answers. Councilman Lamerson suggested that they remove it from the priority list. Councilman Luzius said that he had a hard time not prioritizing it as the issues need to be resolved.

Mayor Wilson said that he was in favor of leaving it on the goals list as it is important in terms of settling the boundaries. They could separate the other issues and make it a simple boundary agreement.

▶ Airport-Area Annexations

Mr. Norwood said that the Council has seen some of these come forward recently, specifically the Cavan annexation which is anticipated to being complete in June. Mayor Wilson said that #3 was what Mr. McConnell has been spending much of his time on and asked him when the issue will be discussed in a public session.

Mr. McConnell said that they would not be seeing so much of a specific date, but more of a timeframe. He said that the Council approved the West Airport General Plan Major Amendments back in November. Subsequent to that Council has approved two contracts--one for the Airport Area Transportation Plan and the other for the West Airport Utilities Master Planning. The formulation of those plans is occurring right now and will extend through the spring. Depending on the outcome of those plans and what market conditions will be, the question becomes when the market in that area would be healthy enough so that actual developers are interested in developing in that area. He said that at that time everyone will be looking at uniform policies, so they want to be ready for that, but that is about as specific as he can be.

He said that it will also hinge upon the one-cent for the streets sales tax, and also the outcome of the Mayor's Committee on Impact Fee Alternatives. Those will be

important components because the City may want to consider a Community Facilities District.

▶ Evaluation of Water/Sewer Rates and Impact Fees

Mr. Norwood said that those were adopted back in 2008 so this one has been accomplished. There has been a committee put together to look at different financing alternatives, headed by Gary Hudder. Councilman Lamerson said that he is the Council liaison to the Committee, but there have been no meetings held to date, although he believed one was being scheduled.

▶ Extension of 1% sales tax.

Mr. Norwood said that late last year the Council decided to move the election for extension of the one-cent sales tax to September. They had heard that the county was considering an election for the jail tax in 2009, but they have since decided to push it back to 2010.

Councilwoman Suttles asked Ms. Hadley to review the Committee meetings. Ms. Hadley said that they have met three times and they had Mr. Woodfill and Mr. Nietupski at a few of them. At last week's meeting the small committee of three invited four more and their next meeting will be in the basement conference room on February 17. She said that Councilwoman Suttles and Councilman Luzius have suggested that the Council members may wish to rotate their attendance, so that everyone is kept in the loop on the discussions, and Patti Crouse is scheduling that.

Councilman Lamerson complimented his fellow Council members on suggesting the rotation; he thought it was a good suggestion. Councilwoman Suttles clarified that it was actually a suggestion by Ms. Mauer so that the Committee could also get a feel from the Council.

▶ Airport Master Plan

Mr. Norwood said that he would be skipping over this item as Mr. Vardiman would be giving the Council an update at the 3:00 p.m. Council meeting.

▶ ERAU Business/Technology Park

Mr. Norwood reported that the Development Agreement is being drafted. He said that there are some funding issues that have more to do with Daytona.

Ms. Bristol said that staff has been in close contact with them throughout the process and there have been a lot of changes to their master plan. She said that the latest is that they have had a meeting with the President of the University in Daytona and he has affirmed everything and approved all of the new initiatives

wanted in the development agreement. Now they can get back to finalizing the DA, which they would both like to see done within the next 60 days.

Mayor Wilson asked if there were problems with funding. Mr. Norwood said that his understanding was that the local university was on board, but it needed to clear the main office because what they wanted to do was more than what Daytona wanted to do. Mayor Wilson said that Daytona did not want to furnish any capital for construction. Ms. Bristol said that she would not say they have gotten by that issue, but whatever goes into the DA the City will need to consider if and how they would participate and they would need to look at a phased project. She said that they are working on those details right now.

Councilman Roecker asked what they look at for the big picture. Ms. Bristol said that they have already put in the budget \$250,000 for the EDA grant. The DA is looking at the bigger picture of the amended master plan that brings in such things as recreational facilities (for community use as well), industrial park, tie downs, etc. She said that the development hinges on public infrastructure and they do not have an amount on those items at this time.

Mayor Wilson asked what the timeline was on the project. Ms. Bristol said that it has not happened as quickly as all had hoped, but it looks like the concept for the business park, industrial park, and other amenities have been agreed to by Daytona Beach, so they are ready to get back to the actual line items. She said that there is a sense of urgency on the part of ERAU.

Councilman Luzius asked if the EDA grant was in jeopardy because no decisions had been made since it was awarded some time ago. Ms. Bristol said that a shovel needs to get into the ground within 24 months of award. She said that they can do development without doing a lot of public infrastructure; however the University and City would like to see the relationships solidified.

Mayor Wilson said that in looking at the overall plan, it is not just internal infrastructure, but also access roads and cutting over to Pioneer Parkway. He said that there is a high interest to the City as the recreational facilities might align well with the long-term goals of the parks master plan.

Ms. Bristol said that some of the delay has been from the desire of the University to build a green project. They have gone to a lot of time and expense to see how green it can be.

Councilman Roecker asked if Ms. Horton had been in the loop. Ms. Horton replied that she had been. Mr. Norwood said that Ms. Horton and he had been in two or three meetings with ERAU architects in layout out of the recreational facilities and they are meeting on the access road. He said that there are several issues being worked on and the recreational issues are probably on the back burner.

Councilman Bell said that he was recently at a meeting with Mr. Willinger who had made a comment that there was a possibility of the infrastructure being done privately, which would be very attractive to the City. He said that he would like to see the first building get started as soon as possible.

▶ Annexation Process Revision

Mr. Norwood said that they had some difficulty with this early on. They have now worked through this and have a local citizen committee that is working their second one. It was a great idea and will work well for the future. He will take this off the list as being completed.

▶ Rodeo Grounds Master Plan

He said that they have completed several of the studies and are in process of finalizing their recommendation to the Council to be presented at the budget retreat in May. Most of the numbers are on the electrical and site concrete issues. They are not at a final point to release the information. There are things that need to be done but they want to be able to give the Council a total breadth of what they are doing and not piecemeal it. He said that the numbers will probably be big.

Councilman Roecker asked if there had been any discussion about the open space component of the property. Mr. Norwood said that they have talked about the possibility of weaving in the Cowboy Breakfast and Prayer with that area. Mayor Wilson said that all he has heard about was placement of the statute in front of City Hall in that area, but it is not very visible.

Councilwoman Suttles said that the County is still operating out of some of those buildings and asked how much time they have left on their lease. Mr. Norwood said that it runs through August of 2010. He said that he will be contacting Julie Ayers soon as he does not know that they will be in the position to vacate. Councilwoman Suttles asked if they can plan around the County staying there. Mr. Norwood said that once they get all of the information completed they can lay out future uses. He said that there are some longer leases at the facility as well. Mayor Wilson said that they have put the master plan on hold in order to get the safety issues identified and once that is done, they will get back to looking at the master plan.

Councilman Roecker asked if they have identified any items that must be done before rodeo season. Mr. Norwood said that not necessarily before the season, but they will get a phased recommendation to address those things.

Councilman Luzius said that he is pleased to see that the master plan is going along. He asked what has been done to deal with the homeless in the area, concerning potential break-ins, fires, etc.

Chief Oaks said that, generally speaking, they only displace the homeless when there is a complaint. Mr. Norwood said that they are working through some issues with the County. The City cannot take over at this point, but once they do it will be a much different situation with security, access, etc.

▶ Privatization Opportunities.

Mr. Norwood said that they have looked at a few items where they might consider privatization such as with the Big Chino Water Ranch pipeline. Mayor Wilson said that after three days of meetings, he furnished a great deal of information to Mr. Holt and asked him to distribute it to the Council.

Councilwoman Suttles asked when they would be discussing that issue further. Mr. Norwood said that it would probably be within 60 days, and he would recommend a joint meeting with the Prescott Valley Town Council.

Councilman Lamerson said that he appreciated the explanation that nothing was set in cement. He asked if the City was in a position for bonding to supply water for the citizens. Mr. Norwood replied that they were. Councilwoman Suttles asked if they could still bond for streets if they bonded for the pipeline project. Mr. Norwood said that they could.

▶ Tourism Development Strategy

Mr. Norwood said that this was a challenge in getting their arms around, but they have PACT, PALA and they have a lot of success in the film business, with hotel stays. He said that Ms. Bristol and Ms. Bridges are working with Horizon now with the LA tourism riders. He said that Horizon has given the City a little more flexibility in what they can and cannot do, and it is a little different market.

Mayor Wilson said that looking at performance monitoring for this may be through the bed tax. He asked how they are able to differentiate when they open up a completely new market. Ms. Bristol said that it is very difficult to quantify, but the airline is sharing with the City how much traffic they have from outside of Prescott. She said that they do not know where they are going, if they are local, if they are staying, traveling for vacation, etc. The idea of the FAM tour is to get the Los Angeles people excited about tourism in this part of the state taking advantage of the direct flight in. She said that they would not know everything without doing an actual survey.

Mayor Wilson said that the Chamber of Commerce has a year-long survey they are doing one weekend a month, looking at visitors, and asked if she thought that would be helpful. Ms. Bristol said that she has not seen anything yet but it would probably be helpful.

Councilman Lamerson added that another group of tourists that comes to the area every year is hunters and fishermen, who come here to enjoy the character and ambiance of the national forest and open land. He asked if they have ever contacted the Fish & Game to see what the potential impact is of that group. Ms. Bristol said that they have not contacted them directly, but they certainly could. Councilman Lamerson said that he would appreciate it if they would; the last number he heard was \$70 million comes in to Yavapai County.

► Street Project Priorities

Mr. Norwood said that this dovetails into the one-cent tax. If the election does not pass, they will redo priorities. They are preparing two priority lists, one if it passes and the other if it does not. He said that they will see both lists for the Budget Workshop in May.

Councilwoman Suttles asked what their capabilities would be with bonding if the one-cent extension does not pass. Mr. Norwood said that they still have the capability of bonding, but it would be more like short-term notes for five or six years. It would drastically reduce the number of projects. The interest payment would be lower, but the affordability is going to be less as well.

Councilwoman Suttles said that they need to constantly try to keep some form of information out to the public. The committee will be working to an end, but this has to stay out to the public as much as possible. Mayor Wilson said that the Council needs to get out in front of every service group.

Councilwoman Suttles asked if they will have information on the City web page, including what is taking place with the committee.

Councilman Lamerson said that they should not repeat the same mistakes with regard to explaining to the public what is potentially at risk if the funding mechanism is not in place, similar with the jail tax. Mr. Norwood said that it is plain and simple with numbers. If they have to scale down the program, they will not be doing residential chip seal and as much maintenance; they will do two or three projects instead of six or seven in a year. Councilman Lamerson said that he is concerned because it sounds like there are a lot of people thinking that it is not a need.

Councilman Bell said that it is going to be very critical to have the priority list being talked about, explaining what they will see if it passes, and if it fails.

Councilman Roecker said that they are getting comments now that they are getting behind on road maintenance, and if that is true today he asked how not passing the one-cent extension would affect that. Mr. Nietupski said that they do have a program that is ongoing, planning for maintenance activities. Field Operations does street maintenance, removes snow, and activities associated with crack sealing. He said that they are all ongoing and they have planned for those based on expected revenues. They have had to cut back on some projects because of decline in revenues, so they are behind the original plan. If the revenues are not there in the future they will continue to do less. Mr. Norwood added that the chip seal and cracking projects are very important for the upkeep of the roads and people do not realize the millions of dollars in damage that can occur if they are not doing those things.

Councilwoman Suttles said that the citizens have had a level of service that has been extremely high. She said this something that needs to be conveyed more, that the level of service will be declining. Mr. Norwood said that those that want to understand will. He said that there is a sentiment out there that the City has wasted money; that it is a game. He said that when they are looking at a funding source ending in 2015, they cannot continue doing what they have done with \$12 million to \$15 million a year less.

Mayor Wilson said that it is incumbent on them to get the citizens' participation in the one-cent extension. He said that it is easier for them to convey that than the elected officials can.

▶ Chip Seal Program

Mr. Norwood said that this is one that they would take off the list. It has pretty much been formalized and will be part of the annual street project since Council identified this as a goal.

▶ Public Information Enhancements

Mr. Norwood said that this was something that the Council made a priority. They did some shifting of personnel and gave assistance to Kim Kapin. They are seeing some good things, and the capabilities of what they have today are far ahead of anything they have been able to achieve in the past. He would suggest they take this one off since they have incorporated it.

▶ Revisions to 2008 Goals for 2009

Mr. Norwood said that they went through some of the goals and they will make some of the titles a little easier to understand.

▶ 2009 Goals (FY10)

Mr. Norwood said that this item includes some suggested goals for the future, which will be influenced by budget and economy. Mr. McConnell then explained that the suggestion is that because of the financial limitations it will be a goal that will take the departments of the City focusing on whether static or less resources how to keep delivering adequate and effective public service levels.

▶ Jail Closure

Mr. Norwood said that the law enforcement community (including the Tribe, Yavapai College, DPS, City, etc.) has a date of 4/1/09 and he does not see that date changing. He said that they have been planning accordingly and have got a reasonable plan in place to bring back to the Council within the next 30 days. He said that it will have an impact of \$150,000 to \$200,000 a year; they will budget \$200,000.

Councilwoman Suttles said that within a few months they have to come up with a large amount of money to do this and she asked where they came up with the money. Chief Oaks said that at first they thought it would be close to \$1 million, but since that time there have been some items of good fortune come their way. He said that the cost was for infrastructure, to build a facility for storage, to have a holding cell, manpower, vehicles, etc., and it was also for one year. Since then there has been some cooperation within the City. They found some space being vacated by the Sign Shop that will provide space to move everything that is in the garage building, motorcycles, bicycles, bulk storage, out of there. The garage area was initially designed and built as a booking and temporary holding area.

Chief Oaks said that they have also been working for months with other agencies and the figures the Sheriff provided were more costly than they felt they could do themselves. It will be mitigated with working with the other agencies, such as Prescott Valley has a holding area that was built into their area because their Police Department held the court. He said that Prescott Valley said it could be a depot for agencies that have a prisoner to be transported and there is no cost as long as the agencies monitor their own prisoners. From there, they can take two to three prisoners to the Verde Valley facility and share in the cost of the trip. He said that the funding is coming from cutbacks in other programs.

Councilman Roecker said that he has seen some comments in the paper and elsewhere about the added danger to citizens with transporting prisoners, and he asked the Chief if he had any concerns with that. Chief Oaks said that is the least of his concerns. He said that logistics is difficult, but they are obtaining, at a cost of \$12,000, a very secure module in a van they already own. Escapes from the vehicle for use by police departments is virtually unheard of so the risk to the public is minimal, although there is always that concern when doing transportation and the possibilities of collisions, mishaps, etc.

Councilman Lamerson asked if the facility will be ready by the time the County closes the jail. Chief Oaks said that it would, and they hope to have the van ready, but if it is not they will transport by patrol car.

Councilman Bell asked if any consideration was given to contracting this to a private security firm so they were not pulling officers off the street. Chief Oaks said that there was, but as far as pulling officers off the streets, the \$200,000 amount would be if they called in an officer on overtime to complete the transports so that they would not be taking on-duty officers off the street. They are preparing to make some other shifts of personnel internally so they have more officers on the street and it will probably morph from calling an officer on overtime every time to calling an officer only if they were going to drop below "minimum staffing."

He said that one thing they are working through is the uncertainty on the length of this operation. He said that there may be a time and place for privatization but they have stayed away from that because they do not know how long this way last. He said that first the county was going to put the issue back on the May 2009 ballot, now it going to be on the 2010 ballot. Now they know it is going to be longer, they felt it would be good to get a little experience under their belt so they know what it costs the City and then they will have a better feel.

Councilman Bell asked if it was possible that even if the jail tax passes next time that the Sheriff would not want to take it back. Chief Oaks said that the Sheriff did commit that if the jail tax passed, he would reopen the current facility until a new one could be built, but everything is subject to change. He said that he thinks they could be in a position where they may fill up the Verde Valley facility sooner than anticipated and they would have to reopen the Prescott facility.

▶ Create Downtown Parking Plan

Mayor Wilson asked when this would be coming forward. Mr. Fenech said that the next meeting with the Prescott Downtown Partnership (PDP) is February 19. He said that they have been in contact with Pasadena, which is widely recognized as a model city for downtown parking plans. They recently sent out questions and received answers, and that will all be discussed next week. He added that Tom Guice would also be in attendance at that meeting. He added that parking meters would be a part of it.

Mr. Norwood said that if that was a priority, which he thinks it is, it would be helpful for Mr. Fenech with PDP to have this as a top priority.

Mayor Wilson said that he views it as a top priority when looking at the overall interaction with the garage. Councilman Roecker said that he would agree, and

he asked if they could push the group to come up with a completion date. Mr. Fenech said that he would ask them for that at the next meeting.

▶ Assured Financial Future of Airport

Councilman Lamerson said that he understands the importance of the airport's location in the City and while they can assure them that they are working toward that, there are a lot of things they are not in control of. Mr. Norwood said that the Council will be getting a presentation in March or April. The maintenance and operation of the Airport are totally different today than they were seven or eight years ago, and they want to outline the financial operations of the airport, what the burden being placed on staff is and give them a closer view.

Councilman Roecker asked if they were making any headway with the neighboring communities to participate monetarily in support of the airport. Mr. Norwood said that there has been no headway, and this is not the best time to be looking at that. Councilman Roecker said that they have been talking about it for a long time, and maybe there could be some level of cooperation down the road when things turn around. Mayor Wilson said that they have some success when they brought Horizon in with Prescott Valley and other entities.

▶ Continued Financial Participation with the Elks Opera House

He said that the City did receive a generous donation, but there are other issues such as the front part where the law offices are. They are still contributing about \$100,000 to operate the facility. They are trying to put a broad range of topics on there and will bring back in next month and see if the Council wants to put in some ideas.

Councilwoman Suttles asked how they spent the money at the Elks. Mr. Norwood said that primarily it is with personnel. He said that they are getting ready to shut it down midyear to do some renovation work, but when they are booking more there is more staff time involved. He said that the last manager resigned and they have not filled the position, and do not plan to, but once it is restored they will be in business heavy.

Councilman Lamerson said that they got into the ownership of the Elks Opera House some time ago, and even though it is in a condo set up, he views this as any other infrastructure that the City owns. They have liabilities there as well and it is appropriate to have them for financial participation, as it is the rodeo grounds, golf course, or recreational facility.

Councilman Bell asked what will be taking place with the personnel while it is shut down. Mr. Fenech said that they are going to have to have staff over there with people coming and going; additionally, they will be making plans for the opening and running of the next year. Mr. Fenech said that the six to eight month

window will allow them time. He said that they will be talking about those things and asking for direction during the Budget Workshop.

Councilman Bell asked if the money that was donated for renovation was adequate to do the work they want to do. Mr. Fenech said that there is \$1.2 to \$1.3 in the Foundation. He said that he will be bringing things forward at the Workshop; the Foundation does not have funds available for the sprinkler system and one other item.

Councilwoman Suttles said that they have 6.5 years left on the open space funding. They have committed already to some open space and she asked how they will get more and select it. Mayor Wilson said that they work through the Open Space Acquisition Advisory Committee for their recommendations. A lot depends on the one-cent election. He thinks they have already committed to some funding in the next fiscal year. Beyond that it will be up to the Council like every year.

Councilwoman Suttles said that they have bought a lot in the Dells. Mayor Wilson noted that was a priority area. He said that there had been a list of priority open space acquisitions passed with the ballot and the Committee is working with that list.

Councilman Lamerson asked if they currently have money in the Open Space Fund. Mr. Norwood said that they set aside money in the fund every year for acquisition. Mr. Woodfill said that he could get the numbers to the Council; he could not remember off hand, but there was enough money for what they have obligated to so far.

Councilman Lamerson said that every year when they sit down in the Budget Workshop they have a choice to place either more in that account, or choose to fund more road projects with the same monies. He suggests that they limit prioritization to the amount they have available.

▶ Next Steps

Mr. Norwood said that next month they will come back and get some ideas from the Council, focusing on new ones for the future.

2. Adjournment.

There being no further business to be discussed the Prescott City Council Workshop of February 20, 2009, adjourned at 3:05 p.m.

JACK D. WILSON, Mayor

ATTEST:

Elizabeth A. Burke, City Clerk