

PRESCOTT CITY COUNCIL
REGULAR VOTING MEETING
TUESDAY, MAY 12, 2009
PRESCOTT, ARIZONA

MINUTES OF THE REGULAR VOTING MEETING OF THE PRESCOTT CITY COUNCIL held on TUESDAY, MAY 12, 2009 in the COUNCIL CHAMBERS located at CITY HALL, 201 SOUTH CORTEZ STREET, Prescott, Arizona.

◆ **CALL TO ORDER**

Mayor Wilson called the meeting to order at 3:01 p.m.

◆ **INTRODUCTIONS**

◆ **INVOCATION:** Chaplain Larry Gotfredson, Prescott Police Department

Chaplain Gotfredson gave the invocation.

◆ **PLEDGE OF ALLEGIANCE:** Councilwoman Lopas

Councilwoman Lopas led the Council and audience in the Pledge of Allegiance.

◆ **ROLL CALL:**

PRESENT:

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

ABSENT:

None

◆ **SUMMARY OF CURRENT OR RECENT EVENTS**

None

I. PROCLAMATIONS

A. May 10-16, 2009 as *National Police Week*

Councilman Bell read the proclamation proclaiming May 10-16, 2009 as *National Police Week* and presented it to the police department. Chief Oaks thanked the Mayor and City Council on behalf of the 92 men and woman of Prescott Police Department working professionally everyday.

B. May 15, 2009 as *Rotary International Day*

The Rotarians came forward. Mayor Wilson read the proclamation proclaiming May 15, 2009 as Rotary International Day, and presented it to Assistant Governor John Stewart.

Mr. Stewart thanked the Mayor on behalf of Rotary in the district. He said they are having a district conference in Prescott on Friday, Saturday and Sunday at the Prescott Resort. There are about 200 Rotarians in Prescott, Prescott Valley, Chino Valley. The Rotary's motto is *Service above Self*, and every club in this community is striving to do service in this community and make it a better place to live.

II. PUBLIC COMMENT

A. Helen Stephenson regarding Prescott Film Festival & Series.

Helen Stephenson, along with her cofounder Maureen Van Wallegan, said that tomorrow at 6:30 p.m. is the premier of the series at the Frontier Village Cinema 10. They are screening the short film, *The Day My Parents Became Cool* followed by American Harmony. They will be presenting a new short and a feature the second Wednesday of each month and inviting the filmmaker to Prescott for two nights to tour the area. They have a lot to offer filmmakers. They have community support; none of the local businesses have turned them down. They would like to have a summer film making workshop for are high school students. Arizona is on the short list for producers to shoot films in. This monthly film series is the first step towards the goal of bringing more film production to Prescott. Scott Castle is dedicated to bringing more independent films to his theater.

B. Representative of Prescott Creeks regarding Recapping of 2009 Granite Creek Clean Up.

Amy Lee Thornhill, Outreach Assistant for Prescott Creeks, said that they are the only nonprofit organization in town focusing on creek preservation and water quality in their community.

She presented an update from Granite Creek Clean Up that took place on April 18, 2009, stating that this year there were 356 community volunteers. The festival is growing and the amount of money the volunteers are worth on a national scale is \$18,711.01.

She said that 3.44 tons of trash and debris were collected this year, a ton more than last year. They also had 2.5 tons from the Watson Woods

Restoration Project. That was debris that was washed down stream and old debris from the early 1900's.

She said they reached out to Miller Valley Elementary School this year for them to do a t-shirt design contest for them. The fifth graders were involved in an environmental education program. Staff went through each and chose the entry by Angie Laursen. They went back to their class and presented it to her and she got a blurb in the front page of the Sunday paper.

They also used Angie's design for their banner, which was hung during the day of the event and is now on the outside of their building. The banner represents all of their community sponsors.

Their major sponsors this year are Prescott Lake Parkway Wal-Mart who donated \$1,000, and another major sponsor was Fann Contracting who quadrupled their donation by matching at \$1,000. They were appreciative for all of their sponsors. APS donated about 600 garbage bags, plus financial support. The City contributions were all in kind, and their support was completely invaluable, providing planning and logistics, maps, park support, and solid waste collection.

For follow up and recognition Prescott Daily Courier printed an article that highlighted the clean up and earth day.

She thanked their sponsors and the community of Prescott. She said their tentative date for next year is April 24, 2010. They are in the process of organizing a Granite Creek Committee. They hope to get together a committee to make it an even better event next year.

C. Paul Katan regarding award of Safe Routes to School projects.

Paul Katan, 844 Flora Street, said he was there as the Safe Routes to School Program Coordinator for Prescott Alternative Transportation. He said that many know that this is a national effort to get more kids walking and riding bikes to school, while making it safer to do so. He announced that tomorrow in the Chambers the City Of Prescott and Prescott alternative Transportation were hosting State Safe Routes to School Brian Fellows in a statewide Safe Routes To School training for municipal and school officials from all over the state.

He announced that on December 16, 2008 the City Council approved a partnership with Prescott Alternative Transportation to apply for Safe Routes infrastructure funds to build bicycle and pedestrian improvements. The Safe Routes to School infrastructure funds do not require matching

from the City, and are used to build new sidewalks and other infrastructure to make it safer for students to bike and walk to school. Each project application can request up to \$250,000 to improve the infrastructure at and around participating schools. With the City Council blessing Prescott Alternative Transportation worked with City staff to apply for two projects.

One request was just over \$238,000 for improvements around Taylor Hicks Elementary and Miller Valley Elementary Schools. The other requested over \$233,000 for improvements at Mile High Middle and Mountain Oak Charter Schools. The projects included improvements such as new side walks, improved signage and cross walks. These projects were safety issues identified by parents and faculty at the schools.

On April 30, 2009 Arizona Department of Transportation announced the applicants for its third funding cycle. He announced that two infrastructure applications were awarded. Of the eight projects in Arizona, these applications were third and fourth in the state. That is about \$1/2 million for City of Prescott to build public safety infrastructure, and also for neighbors in the area to take advantage of alternative transportation.

Additionally, Prescott Area Transportation was awarded its third non infrastructure funds grant for \$4,818. He took the opportunity to thank all of the people that supported the endeavor. He thanked Mayor Wilson and the City Council for their support, and recognized the City staff for exceptional contribution to the process. He also said thanks to Ian Mattingly and Doug Cramer, Cat Moody and Steve Gushue of GIS, Sergeants Tim Fletcher and Tim and Ben Scott, and Chris Hoskin. He then thanked the Safe Routes to School champions, Principal Joe Howard at Mile High, Physical Education teacher Cathy Balaly at Taylor Hicks, Principal Jeff Lane of Miller Valley and Principal Cindy Rowe of Mountain Oak.

III. PRESENTATIONS

- A. Presentation by representatives of Arizona Public Service on Update of the 69Kilo Volt Line.

Craig Bernaski with Arizona Public Service 29002 North 45 Street, Cave Creek, Arizona 85331, said that he was there with Charles Hayes, who was also with Arizona Public Service. They have been working with the Prescott community over last several months on a 69kv project to rebuild and construct new 69kv facilities from the Prescott City substation to the White Spar substation.

Arizona Public Service identified a need in the Prescott area to rebuild and have a continuous connection between the two connections. Currently it is

on a wooden 69kv pole that crosses along Granite Street alignment over to McCormick Street and over to the White Spar substation. He said that the line is quite old and an area of interest to improve and upgrade. Also the City Of Prescott continues to see low growth, statewide, that has diminished somewhat. We know that Prescott is an area that will grow over time.

He said that the need was determined to rebuild that connection. About 1 ½ months ago they met with Mayor Wilson and the City Council members to talk about engaging the public in an open house process to present information about proposed upgrades, the reasons for them and to get feedback on them. On March 25 and March 26 they conducted those open houses at the Prescott middle school. There were approximately 11 people attending. As a result of that, they had 20 comments that were provided to them through forms available, website maintained by APS, and other telephone communications.

He said those open houses were publicized through a newsletter distributed to 8,000 people ahead of the Open House. A conceptual map and series of alternative routes were also included. A brief summary of the information that they heard from the community included a concern for building along McCormick Street through residential areas. It would have taken it along McCormick Street, down Aubrey Street and then toward White Spar. That is a more residential area. They had concerns living along there.

They had another alignment option – in the vicinity of school down Granite Creek to similar location in residential area to take advantage of creek alignment. There was less support for that route. They did not hear a lot of concern about one of the other alternative routes along the alley behind Montezuma Street and over to Montezuma Street frontage. The public was supportive and understood the need for the facilities. They wanted to voice their consideration about the route. Based on that feedback and Arizona Public Service's evaluation of cost considerations, they are actively pursuing the final design and easement acquisition for the route shown. It would be coming from the Prescott City Substation, rebuilding along Granite Street, to Goodwin. From that point they would parallel on a portion of the school property over to Carleton Street and go east along Montezuma to Walker to White Spar.

This is not a final route, but something they have identified through their process. This has construction and operation advantages and mitigates a lot of controversy. And, it represents a fair solution to connecting the two substations.

The next steps will be to continue with the Prescott City School Board on easement acquisition around the school. They want to make sure they get notice out to the community. They will send out another newsletter and work with those that have structures adjacent to their property and try to mitigate site specific concerns.

Regarding the Safe Streets Initiative, this project does have opportunity to consolidate facilities. There are some places where development has crept up to their existing lines. They see some benefits to the community.

Councilman Luzius asked if there were going to have any further area or neighborhood meetings. Mr. Bernasky said that he did not expect to. They are at a point where the route alternatives have been laid out. At this time they are not expecting to have any other forums.

Councilman Luzius asked when the newsletter would come out. Mr. Bernasky said that he expected it to be before end of this month.

Councilwoman Suttles said that she appreciated APS doing as much pre-work as they are. She knows that at the public meetings they can get the information out but she still does not think they will understand the visual part of it. She is sure that there will be comments about cutting trees and tying up traffic. At least they are allowed to be part of the process. She asked if there was a point person that people can contact once they get into the construction.

Mr. Bernasky said that he would be available as they move through next month or so. His information has been part of those newsletters and the website. Mr. Hayes will be dealing with the people on the rights of way acquisition.

Councilwoman Suttles said that it would be easier to have them come down into the neighborhoods and talk to the people about the lines rather than trying to do it from Phoenix.

Mayor Wilson asked them to mention the website address. Mr. Bernasky said it was www.aps.com/siting link to current projects. This will be one of the first ones seen.

Mr. Norwood asked if he had a visual slide of what these poles are going to look like. Mr. Bernasky said that he did not have it loaded up on the computer but, it is on that website. Mr. Norwood asked how tall the wood poles are that are currently out there. Mr. Bernasky said that they are approximately 65', which is the height of the proposed poles.

Mr. Norwood asked how big around the base of the metal poles is. Mr. Bernasky said that they would be approximately 2-3' in diameter at the base and some exception in areas where there may be a turning structure where they may be 3.5' in diameter.

Mr. Norwood asked if he checked for all utility conflicts. Mr. Hayes said that they will coordinate everything through the City engineering department and will work through any issues they run into. They run into problems all the time. If they need to relocate they will. They are currently working with the school district to acquire easements through two poles inside of their south property line. Those are the two large poles that are 44" in diameter. They are 65' out of ground. Every pole that runs in lead with the conductors is about 1.75' in diameter and 65' out of ground. The tangent structures are equivalent to those out there. The self-supporting pole allows them to turn the angles without down guides. The steel structure they decided to go with is the weathering, self supporting pole. It will have appearance of existing structures and they are brown in color.

He then showed a picture of the old poles and the new structures. For the purposes of simulations they take the worse case scenario. In this case this is probably more of a robust structure than would be constructed in that area.

Mr. Norwood said that this is going to be very intrusive in some ways especially on Montezuma. He noted that Mr. Luzius has commented about the restraints in the alley with dumpsters. He also noted that the Council Chambers have been packed when they consider cell towers at Sacred Heart and the placement of water tank reservoirs. He wanted it to be clear that when these start going in they want their web site and phone numbers. He said that anything Mr. Hayes could do to do educate public would be appropriate.

Mr. Hayes said that they recognize that and try to do as much outreach. Prescott colleagues were in the audience for question that residents may have on a day to day basis. He said that they cannot do it without having some impact.

Councilman Lamerson said that in concert with Councilwoman Suttles, he thanked them for coming out. Also in concert with Mr. Norwood and Councilman Luzius he thought the community was very sensitive about visual impacts. He thought that it is imperative that they succinctly elaborate as to the consequences if they do not upgrade the system that is already overtaxed.

Mr. Hayes Said that they do not like to go to the "what if" scenarios. They like to point out well in advance what could happen to the system. There is no part of the state where they want to lose electric service for any period

of time. The age of the system being rebuilt is one that concerns them as far as being able to provide reliable power. The fact that they know there will be more growth occurring points them to want to make this a priority. So they do not have the issue of losing power. They really want to make sure that they are well out ahead of any kind of worse case scenarios

Mayor Wilson thanked them.

B. Presentation by John Rasmussen regarding Water Advisory Committee – New Projects Update.

Councilman Roecker said that he has been on Water Advisory Committee for the last seven years. He feels that it is their best solution to continue the dialogue between their communities and those in the Verde Valley. John Rasmussen came along three years ago and fit right in. There are some unique studies they are getting ready to do, and he wanted to get the public up to speed with this presentation about the Big Chino and Verde River area.

Mr. Rasmussen wanted to talk about two new projects. These projects are fitting into a stream of projects, which are not doing them at random. It is part of a larger picture. They may have massive amounts of information that are defensible but if their leaders do not move forward with it, they are not being able to progress. They recognize that there is such a thing as “analysis paralysis”.

He then gave a PowerPoint Presentation which addressed the following, attached hereto as Exhibit A:

- ▶ Water Advisory Committee Membership
- ▶ Gravity Studies
- ▶ Northern Arizona Regional Model

Mayor Wilson asked if they were gather data for the entire model or just a subset. Mr. Rasmussen said that it was just for subset of the model area where they have specific concerns. The large model area is set up based on data they had and to have boundaries that they know.

- ▶ Primary objectives of the mode.
- ▶ How Does a Numerical Model Work?
- ▶ Candidate Gravity Monitoring Stations at Wells – Yavapai County

Mayor Wilson asked if they were talking about two nested models in Objective 3. Mr. Rasmussen said that it would be misrepresenting this work with nested models, but the specific purpose is to improve the existing regional model. It would be logical if one were to nest some models (make smaller) in those regions, this would help.

- ▶ What the concept is?
- ▶ Use and Budget
- ▶ Verde Surface Water Model
- ▶ Projected timeline
- ▶ Five Year Budget

Councilman Roecker said that he wanted Mr. Rasmussen to do this to show how complex these issues are that we deal with regarding water.

Mayor Wilson said that this is extremely complex; it is science. If they listened to Mr. Rasmussen talk about preparatory work, it will then allow more sophisticated models to be developed. A process of three years is needed to do the preparation. He said that when someone says they can do a model in three months, they should scratch their heads.

C. Presentation by Steve Owen of Perc Water regarding Water Recycling Facilities, Asset & Risk Management.

Steve Owen said that it is a great opportunity to be there. He is the Vice President of Infrastructure Development of Perc Water, and lives at 3701 East Downing Circle, Mesa, Arizona. He then gave a PowerPoint Presentation, Exhibit B attached hereto and made a made hereof, which addressed the following:

- ▶ Company Introduction
- ▶ Water recycling experience
- ▶ Contract experience
- ▶ COP Airport Facility
- ▶ Sun Dog Facility
- ▶ City Of Prescott Concerns & Issues

- ▶ Public Private Partnerships
- ▶ Risk Transfer Table
- ▶ Highest water quality
- ▶ PERC ASP Design
- ▶ Ease of Maintenance
- ▶ Small footprint
- ▶ Underground tanks
- ▶ Odor Free
- ▶ Risk Management

Mayor Wilson said that it was mentioned that they had time on their side, and asked Mr. Nietupski if that was correct. Mr. Nietupski said that he just recently authorized an engineering services contract with a firm for the Master Plan of the Waste Water Treatment Plant. They have just begun that process.

Mayor Wilson asked if they had time to look at this as an option. Mr. Nietupski said that the technologies could certainly be evaluated for the benefits it would provide. He said that he would be in favor of going down that path. He said that they have some exposure to Public, Private Partnership.

Councilman Luzius said that he had asked Mr. Owen to make a presentation. The PPP has been a controversial issue as discussed. He thought his process and program was very unique and deserved the opportunity to make a presentation.

He asked who owns the effluent product discharged. Mr. Owen said that the City of Prescott would continue to own that. He said that this is not talking about privatization; with privatization they would not own it. They would predetermine as a City how long this term would go.

Mr. Owen said that in California they have 30 year concession. They have Code 5956 which allows up to 35 years or 39 years for concession. At the end of that term it comes back to the City. They own the plant for \$1 or no fee. Has to come back in a five year condition or newer.

Councilman Luzius said that he has had a concern in the past of their effluent not being in A condition.

Councilman Lamerson said that he would be interested in hearing more about it. Glad to hear Mr. Nietupski say we have an opportunity to evaluate what is being proposed.

Councilman Roecker asked at what point do they make a profit. Mr. Owen said that they are in it for the long haul. They do not make a lot on the design build. He can talk about real numbers. He said that the consultants will shy away from that or they'll give a number but will have a lot of conditions. They will give them, within a range of \$5 million what they will spend for state of the art, complete total solution.

He said they don't make a lot of profit compared to their competitors. The one they just finished in Surprise, Spa Three, their contract was \$16.5 million. That same plant was built nine miles from them in Southern California, where they have spent \$38 million on a plant that was half the size. Their rates right now are over \$100 per resident per month. The rates in Santa Paula at 4.5 mgd will be \$60/month. It is 20-30% less to do a project in Arizona than in California.

Councilwoman Lopas said that she would like to take tour to Phoenix to see a plant.

D. Presentation by County Assessor Pam Pearsall regarding the County Assessor's Office.

Ms. Pearsall gave a presentation of what affects property taxes. It included:

- ▶ Brief Summary
 - ▶ 3 things to calculate property tax bill
 - ▶ Property Tax Explanation
 - ▶ Budgets

She said that what City of Prescott does with their budget probably affects tax rate more than what she does with her budgets.

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.

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

- A. Adopt Resolution No. 3951-0957 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, authorizing the City of Prescott Fire Department to enter into an Intergovernmental Agreement (“IGA”) with Central Yavapai Fire District (CYFD) to exchange occupancies of CYFD’s Station 51 for Prescott Fire Department’s Station 72 and authorizing the Mayor and staff to take any and all steps necessary to accomplish the above.
- B. Adopt Resolution No. 3954-0960 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, authorizing the City of Prescott to enter into an Addendum to Intergovernmental Agreement (“IGA”) to include Walker Fire Protection Association into the Prescott Regional Communications Center (PRCC) and authorizing the Mayor and staff to take any and all steps necessary to accomplish the above.
- C. Approve the CDBG construction contract in an amount not to exceed \$110,549.00 with Core 5, LLC for the federally-funded project known as Campbell Streets Improvements.
- D. Approve contract with JEBCO for the federally-funded Renovation and Remodel of the WYGC Hillside CDBG Project in the amount of \$42,163.00.
- E. Approve the Preliminary Plat Extension Request for Granite Creek Village, comprising 43 lots on approximately 14.5 acres located east of White Spar Road along Granite Creek in the vicinity of the Pine Cone Inn.
- F. Adopt Ordinance No. 4700-0943 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, amending *Land Development Code*, Table 2.3, Schools in the IL District; Table 2.3, Dormitories on the IL District; Section 6.2.5.C, Compact Parking Spaces; Section 7.4.5.B.4; Flag Lot Dimensions; Table 2.3, Hotel/Motels in the IL District; Table 2.3 Mobile Food Vendors; and Section 2.5.13, Mobile Food Vendors.
- G. Award two contracts for quality assurance testing services for City capital construction projects, one to Ninyo & Moore; and one to Western Technologies, Inc.; each in an amount not to exceed \$80,000.00.

- H. Adopt Resolution No. 3958-0964 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona authorizing the use of the Water Smart logo by the Upper Verde River Watershed Protection Coalition.
- I. Approve the Minutes of the Prescott City Council Joint Study Session/Special Meeting of April 21, 2009 and the Regular Voting Meeting of April 28, 2009.

V. REGULAR AGENDA

- A. Appointment of members to the Acker Trust Board.

Ms. Burke said that there were two vacancies on the Board and the Council Appointment Committee was recommending appointment of Steve Stazenski and James McCasland.

Councilwoman Suttles asked Steve Stazenski to stand.

Mr. Stazenski thanked the Council for the opportunity and said that he was honored. He said that he has a lot to learn and he understands the gravity of the decisions that are made by the Board. He understands the value of the gift given by Mr. Acker.

COUNCILWOMAN SUTTLES MOVED TO APPOINT STEVE STAZENSKI TO THE ACKER TRUST BOARD, TERM TO EXPIRE MARCH 2011 AND JIM MCCASLAND TO THE ACKER BOARD, TERM TO EXPIRE NOVEMBER 2011; SECONDED BY COUNCILMAN LUZIUS; PASSED UNANIMOUSLY.

- B. Public Hearing and consideration of liquor license application from Hai Liu, applicant for Hong Kong Restaurant, for a Series 12, Restaurant, license for Hong Kong Restaurant located at 520 Miller Valley Road.

Ms. Burke briefly reviewed the application, noting that the applicants were there earlier, but due to the lateness of the meeting, she believed they had left.

COUNCILWOMAN SUTTLES MOVED TO CLOSE THE PUBLIC HEARING; SECONDED BY COUNCILMAN LAMERSON; PASSED UNANIMOUSLY.

COUNCILMAN LUZIUS MOVED TO APPROVE THE LIQUOR LICENSE APPLICATION SUBMITTED BY HAI LIU, AGENT FOR HONG KONG RESTAURANT FOR A SERIES 12, RESTAURANT, LICENSE FOR

HONG KONG RESTAURANT LOCATED AT 520 MILLER VALLEY ROAD; SECONDED BY COUNCILMAN LAMERSON; PASSED UNANIMOUSLY.

- C. Public Hearing and consideration of liquor license application from Billie Nelson, applicant for The Rose Restaurant, for a Series 12, Restaurant, license for The Rose Restaurant located at 234 South Cortez.

Ms. Burke briefly reviewed the application, noting that the applicant was present. Billie Joe Nelson 2015 Williamson Valley Road introduced herself.

COUNCILMAN BELL MOVED TO CLOSE THE PUBLIC HEARING; SECONDED BY COUNCILMAN LAMERSON; PASSED UNANIMOUSLY.

COUNCILMAN LUZIUS MOVED TO APPROVE THE LIQUOR LICENSE APPLICATION SUBMITTED BY BILLIE JOE NELSON FOR A SERIES 12, RESTAURANT, LICENSE FOR THE ROSE RESTAURANT LOCATED AT 234 SOUTH CORTEZ; SECONDED BY COUNCILMAN LAMERSON; PASSED UNANIMOUSLY.

- D. Adoption of Resolution No. 3959-0965 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona authorizing the ballot language regarding the City's transaction privilege tax to be presented to the voters of the City of Prescott at the Special Election to be held on September 1, 2009.

Ms. Hadley said that the Council had passed an ordinance on April 28, 2009, calling for a Special Election for September 2009 for the purpose of extending or amending the current sales tax for streets and open space. Council made the decision that the election would be for $\frac{3}{4}$ of one percent for 20 years, beginning January 1, 2016, to be used for streets only. With that behind them they moved to crafting the ballot language.

The standing committee met and came up with ballot language that is in the packet. If they choose to they could vote and approve it today. They need to have the ballot language to the County no later than June 5. They would like to get it adopted as soon as possible to give the public ample time to respond to the call for the arguments. Ms. Hadley then read the ballot language.

Councilman Lamerson voiced concern with depleting revenues and expanding costs associated with streets. He said that he believed that the Public Works Director had said that even if they had the complete one percent tax today for streets, it would not be sufficient. Mr. Nietupski said

that the City street system is funded through the one-cent tax, which also provides funding for open space acquisition. There are a number of projects that need to be completed in the future with 40% of their system in various states of “less than desirable.”

Councilwoman Suttles questioned the wording of the last recital of the resolution. Mr. Kidd said that the clauses are part of the resolution, but the ballot language is the paragraph that they tried to err on the side of stating everything they would use the money for. Councilwoman Suttles said that she was not sure that it was as clear as it should be.

Ms. Hadley said that the committee did write it in the broad sense to cover those things not covered the first time. With the Legislature looking at taking away impact fees the committee felt it should be up to the Council.

Councilman Roecker said that he agreed with Councilman Lamerson; he wanted one cent in perpetuity but that had no support. He said that he liked the wording and would support it.

Councilwoman Lopas said that she did not think the wording was broad enough. She said that a lot of the transportation groups got together and came up with minor tweaking. Since it is going through 2036 and they do not know what the future holds, they felt it should be broad enough for the future, and possibly be able to do transit with it in the future. Their recommendation was to change streets to surface transportation, which would include all modes of transportation.

Mayor Wilson said that they compromised on $\frac{3}{4}$ % from 1%. If they were to take that language they would be trying to fund transit and he could not support it.

Ms. Hadley said that the committee was strong in not including transit. They felt that transit should stand on its own.

Councilman Luzius said that he supported what Ms. Lopas said. He saw no harm in making it as broad as it had been made and it should take in all modes of transportation.

Councilwoman Suttles said that she cannot muddy this $\frac{3}{4}$ % for streets. They have been working on it for a long time. It came up early on whether to include transit and the majority of the Council said no, and the committee said no. She said that transit can come back at any time, just like open space. If they bog it down it will never get out.

Councilman Bell echoed Councilwoman Suttles. He said that he knew the committee studied it quite a long time and they came with a

recommendation for streets only, and they need to pay attention to what the committee said. He said that it is.

Councilman Lamerson thanked the committee for all of their work; he appreciated the effort put in. He said that he also stands on the statement that competent staff has given them. He cannot support lessening the wording.

Councilman Roecker asked if they had any more of the polling information, as he had heard that part of the information sent out did dwell on transit. He said that they are not talking about transit.

Michael Peters, 640 West Lee Blvd, said that he has ways been of the understanding to keep things simple and to do that, he would suggest they eliminate after City of Prescott “extend and amend the current.” He said that it makes it very simple and understandable to the majority of the people.

Councilman Roecker asked if there was a reason they had that first part in. Mr. Kidd said that it was the recommendation of the committee and staff, but it could be removed or amended. He said that when they got into the open space lawsuit there were questions about the ballot language and whether things were covered. This time they erred on the side of being all-inclusive.

Mayor Wilson said that he agreed with the KISS doctrine; their aim was to make sure it would pass and he was in favor of simplifying it. He said that it did not change any intent. Councilwoman Suttles said it was fine with her as long as the attorney agreed.

Steve Blair, 1802 Northside Drive, said that he wanted to reiterate that the City of Prescott does have a Bicycle/Pedestrian Plan that calls out that the City do its best to include those opportunities when available and warranted, so that language does not need to muddy the water.

Lindsey Bell, 368 Dogwood Lane, urged the Council to adopt the broader language so they could spend the revenues on any mode of surface transportation. It is hard to look into the future and they are not suggesting a set aside for any other modes. She said that most of them know her as a transit advocate; but she has been recommending multimodal since the late 80's.

She said that multimodal transportation has been the national policy for two decades because it is a best practice. She thought the City was foolish to limit the use of the sales tax for streets. Small, modest investments in other modes not only provide more transportation options,

but extends the life of the City's road network. She was part of the PAC to promote passage of the first one-cent and donated money and time and solicited other money and in-kind donations. She is more than willing to jump in with that same type of effort if the City supports multimodal. It gives the citizens and future Councils the flexibility to spend those revenues.

Paul Katan, 844 Flora Street, said that he currently serves on the Prescott Bicycle Advisory Committee and works for Prescott Alternative Transportation. It seems like the major concern for not including the language to allow future councils to use it for multimodal or transit is it would muddy the issue. He was not so sure. They are trying to go to the ballot so they could vote for this; he thinks they would like more options. He said that the proposal brought forth seems very simple edits and would not go over the heads of the voters, but gives them the faith to consider future times.

Mr. Katan asked if there would be an opportunity to amend the wording if they went with the current language today. Mayor Wilson said that he did not think the time was appropriate. The issue has been ongoing for nine months and they have consensus. He would be very uncomfortable with trying to stick transit in at the last moment.

Mr. Katan said that he had tried to be a part of that committee but was not permitted. He also spoke with other transit advocates, such as Lisa Barnes, whose area is multimodal planning, having just completed her Masters Degree on that topic. He said that they all understand they do not have enough money for streets. They need to look at a variety of modes.

Ms. Hadley said that they could do a special voting session, but when they adopted the ordinance last week, it was for streets only. In terms of multimodal, the wording does include right-of-way which would allow for bike lanes. When she talked with members of the committee, they all felt the individual issues should stand on their own.

Councilman Roecker said that they have the wording and should do it today and move forward.

Dave Maurer, 117 West Goodwin, said that he was a member of the committee and they are solidly behind single streets. He said that there is a time and place for transit, but this is not that time or place. They are trying to solve the streets problem.

Mr. Bill Warren of the Citizens Tax Committee said that he was the person that wrote the grant that allowed for federal government funding of \$500,000 to purchase the top of P of the Peavine Trail, which completed

the Chino Valley, Prescott and Prescott Valley access to the trail. He is very much an alternate transportation advocate; however, he does not think this is the time and place for alternative transportation to be considered. He urged the Council to stay with streets only and deal with alternate transportation separately.

Councilman Roecker recommended that the Mayor read the ballot language as amended and then call for the question. **MAYOR WILSON MOVED TO ADOPT THE RESOLUTION USING THE AMENDED WORDING “SHALL THE CITY OF PRESCOTT PROVIDE FOR A TRANSACTION PRIVILEGE TAX FOR STREETS ONLY, OF THREE-QUARTERS OF ONE PERCENT FOR A TERM OF 20 YEARS BEGINNING JANUARY 1, 2016, THE PROCEEDS OF WHICH ARE TO BE USED FOR THE COST OF PLANNING, DESIGN, RIGHT-OF-WAY ACQUISITION AND IMPROVEMENTS, AND OTHER ASSOCIATED WITH THE CONSTRUCTION, REHABILITATION AND MAINTENANCE OF CITY STREETS, HIGHWAYS, ALLEYS AND ROADWAYS INCLUDING, BUT NOT LIMITED TO, CURBS, GUTTERS, DRAINAGE, BRIDGES, SIDEWALKS, SHOULDERS AND MEDIANS. THE ACCUMULATION OF SUCH PROCEEDS SHALL BE USED IN ACCORDANCE WITH ARTICLE 9 SECTION 20 OF THE ARIZONA STATE CONSTITUTION”;** **SECONDED BY COUNCILWOMAN SUTTLES.**

Councilman Lamerson said that on an individual level he did not agree with lowering the ability of the City to provide safe streets by one-quarter of a percent, but he thought it was in the best interest to ask the public what they thought so he would support putting it on the ballot.

Councilman Lopas asked Mr. Kidd asked how the term “including but not limited to” would be interpreted in the future. Mr. Kidd said that it gives the Council broader authority. Those would be used as examples; it could be something reasonably related to such as a bike lane.

Councilman Luzius said that he would prefer to see the resolution in a typed form and vote on it next week.

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

Bill Warren, 2126 Charter Oak Drive, said that the Mayor would be receiving a letter from the Citizens Tax Committee, but he wanted to read it into the record.

“Mayor Wilson and City Council Members, The Citizens Tax Committee has surveyed its members and the membership overwhelmingly agrees to

support the three-quarters percent sales tax extension for 20 additional years for streets only. The Citizens Tax Committee offers its support, its service and its endorsement to the street sales tax initiative.” He pointed out that they have 74 paid members who all received the questionnaire. The three-quarters percent sales tax was not the first choice. The first choice was one-cent sales tax. The numbers are concerned citizens and concerned about wise usage of the tax dollars, so it should be encouraging to the Mayor and council that they are on the right track.

- E. Public Hearing on annexation of a portion of the Granite Dells Ranch with associated minor amendments to the General Plat and Airport Specific Area Plan; Owner, Granite Dells Ranch Holdings (Cavan Real Estate Investments); Agent, Mark Reddie, LVA Urban Design Studio, Tempe, Arizona. (ANX0-001)

Mr. McConnell said that this was continuation of the Public Hearing started last week on the annexation and two minor amendments to the General Plan and Airport Specific Area Plan. At the meeting last week there was a presentation which covered the actual agenda items.

Councilman Luzius said that last week Dr. Kindig made a presentation on their study as far as applied economics of the annexation. He did not have the opportunity to finish his presentation and there was another article written in the Courier that alluded to some of the information. He asked Mr. McConnell when that study would be addressed.

Mayor Wilson asked what he was referring to. Councilman Luzius said that one issue was the up front investment and payback, if the City does \$2.3 million of infrastructure the citizens could be held holding the bag if didn't progress. He said there was also a recommendation to do some kind of surety.

Mr. McConnell said, with respect to the fiscal impact analysis, there are guidelines for completion of that report and that cost benefit study was completed. It was determined by the financial review committee to have been completed in fulfillment of the guidelines. Both the report and the committee's review comments are available on line. Anyone can look at the report and comments and form their own conclusion, but the fact is that the process, with respect to the fiscal analysis, has been completed.

With regard to sureties, the General Plan does contemplate annexation; it defines or presents some criteria for what might constitute a favorable annexation; criteria for a favorable annexation include that it generates revenue and the cost benefit analysis came to that conclusion. There may be some different of opinion on how long, but it will be revenue positive. Other criteria for determining an annexation is what happens if they don't

annex and they have development on the fringe of the City that provides burden or impact on City streets, or unpaved roads and generate dust, or they have exempt wells.

He said that when it comes down to financial aspects it comes down to a question of investment and whether this is the time to invest in the future of the City of Prescott and is \$2.3 million a worthwhile investment for infrastructure. He would suggest that there will be, sooner or later, an interchange on 89A at Granite Dells Parkway and interchange property is valuable. That property will be developed at some time in the future, whether the City or the county, the question is whether the City wants to make the investment at the present time to annex property and recoup that investment many times over as predicted by the financial analysis.

With respect to costs that may be out there but not reclaimed, they have pointed out the infrastructure needs in the Airport area, with or without this annexation. There will be some infrastructure located to provide services to the annexation, but the fact is that in proximity to this property they have infrastructure deficiencies.

Councilman Luzius said that he was not against the annexation, but was gun-shy with what has gone on with the interchange and related contracts. He wants to make sure when it does come down to be annexed and the development agreement is done, that all of the loopholes are closed.

Mayor Wilson said that after the Fann annexation, he specifically asked to upgrade the cost benefit analysis so it was more deliberate, such as with the sensitivity analysis and he had the council pass a resolution. All of that has been done. This is a different process than what was done and when they look at this they have a positive annexation. There is no residential in it. The cost of services for annexation will make money for the City and fits the criteria of what they want in the airport area.

Joyce Mackin, 1235 W. Merrell, said that she represents Yavapai Trails and they are concerned with Peavine Trail. She said that they received a grant from the Federal Highway Administration for that trail and their guidelines are strict. She asked if they had been informed of the plans for the Peavine Trail regarding the road crossings or reroutings. Mr. McConnell said that last week he presented three options and those three options are for consideration by the Council after the development agreement is approved. If there is a constraint that they cannot do one of them, then it gets removed. They do not have all the answers, but with something of this size and the Rails to Trails involved, they will be having a workshop on the issue to address it more then. He said that the City will do what it has to do to comply with the guidelines.

Ms. Mackin thanked them and also for the time they are giving on May 26 to discuss the trails issue further.

COUNCILMAN LAMERSON MOVED TO CLOSE THE PUBLIC HEARING; SECONDED BY COUNCILMAN ROECKER; PASSED UNANIMOUSLY.

- F. Approval to improve security and access to City Hall, to include Utility Services, Mayor and Council and Administrative Offices, not to exceed \$68,000.00. (Pulled from Consent Agenda by Councilwoman Suttles)

Mr. Norwood said that today they had an opportunity to walk through and see what plans were for the improved security at City Hall. Councilwoman Suttles said that she appreciated Mr. Fenech and Mr. Miller taking Council through their plans, but as she stated last week, it was not what she thought the City should be doing. They are closing off more and more of their public, not only the employees but the Mayor/Council and management. She said that it was not reflection on the City employees but she thought they were going overboard and she would be voting no.

Councilman Lamerson said that he also appreciated the tour earlier, but he agrees that they are shutting the public away from the people that serve them. He said that it reminds him of those that get in cages to be around sharks. He would like to think they do not have a bunch of sharks.

Councilman Roecker said that he thought that the positive attitude of those working for the City will go through the barrier and he would vote yes.

Councilman Luzius thanked staff for the tour. He said that having consideration for those working there that are subjected to profanity and being spat on, it is a sad state of affairs, but it has to be done to protect the employees of the City. From what he has seen it is not intrusive; there will still be a view and he endorses it wholeheartedly. He does not want to wait until someone gets shot and killed to ask why they did not do something.

Councilman Bell said that he appreciated everyone's comments and it was certainly too bad they have to consider it, but he would never forgive himself if one of their employees was injured and he would support it.

Councilwoman Lopas echoed the comments. She said that it was unfortunate that it has to be done, but it does. It is a fact of life and she would rather be proactive.

COUNCILMAN LUZIUS MOVED TO APPROVE IMPROVEMENT TO SECURITY AND ACCESS TO CITY HALL, TO INCLUDE UTILITY SERVICES, MAYOR AND COUNCIL AND ADMINISTRATIVE OFFICES, NOT TO EXCEED \$68,000.00; SECONDED BY COUNCILMAN BELL; PASSED 5-2 WITH COUNCILWOMAN SUTTLES AND COUNCILMAN LAMERSON CASTING THE DISSENTING VOTES.

- G. Adoption of Resolution No. 3957-0963 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, repealing Resolution Number 3927-0933 and adopting new Rules of Procedure for the Prescott City Council. (Pulled from Consent Agenda for amended language of Resolution)

Ms. Burke noted that the revised wording, as requested at last week's meeting, had been included in the packet.

COUNCILMAN BELL MOVED TO ADOPT RESOLUTION NO. 3957-0963; SECONDED BY COUNCILMAN ROECKER; PASSED 6-1 WITH COUNCILMAN LAMERSON CASTING THE DISSENTING VOTE.

- H. Adoption of Resolution No. 3960-0966 – A resolution of the Mayor and Council of the City of Prescott, Yavapai County, Arizona, to authorize the application for a Clean Water State Revolving Fund Loan from the Water Infrastructure Finance Authority of Arizona (WIFA).

Mr. Woodfill said that this resolution would provide for a loan of over \$1 million from the Water Infrastructure Finance Authority of Arizona for a wastewater project.

Councilwoman Suttles asked if this had anything to do with the presentation made today by PERC. Staff replied that it did not. Mr. Woodfill said that this was related to the utility improvements along Copper Basin Road.

COUNCILMAN LAMERSON MOVED TO ADOPT RESOLUTION NO. 3960-0966; SECONDED BY COUNCILMAN LUZIUS; PASSED UNANIMOUSLY.

VI. ADJOURNMENT

There being no further business to be discussed, the Regular Voting Meeting of the Prescott City Council held on May 12, 2009 adjourned at 5:56 p.m.

JACK D. WILSON, Mayor

ATTEST:

ELIZABETH A. BURKE, City Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Voting Meeting of the City Council of the City of Prescott, Arizona held on the 12th day of May, 2009. I further certify the meeting was duly called and held and that a quorum was present.

Dated this ____ day of _____, 2009.

AFFIX
CITY SEAL

ELIZABETH A. BURKE, City Clerk