

PRESCOTT CITY COUNCIL  
REGULAR STUDY SESSION  
TUESDAY, SEPTEMBER 1, 2009  
PRESCOTT, ARIZONA

MINUTES OF THE REGULAR STUDY SESSION OF THE PRESCOTT CITY COUNCIL held on TUESDAY, SEPTEMBER 1, 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 3:00 p.m.

◆ **INTRODUCTIONS**

◆ **INVOCATION:** Reverend Julia McKenna, Spiritual Architect

Reverend McKenna was not available as she had been injured earlier in the day.

◆ **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 Roecker  
Councilwoman Lopas  
Councilman Luzius

ABSENT:

Councilman Lamerson  
Councilwoman Suttles

◆ **SUMMARY OF CURRENT OR RECENT EVENTS**

**I. PROCLAMATION**

A. September 7 – 13, 2009 as *Patriotism Week*.

Mayor Wilson read the proclamation proclaiming September 7-13, 2009 as *Patriotism Week*, and presented it to a representative of the Elks Mother Lodge of Arizona. He said that he was happy to receive it and one of their most important things was patriotism.

## II. DISCUSSION ITEMS

- A. Consideration and possible approval of agreement with Sharlot Hall for contribution from bed tax for special events in an amount up to \$30,000.00.

Economic Development Director Jane Bristol said that the City distributes a portion of bed tax funds to various organizations that support tourism. One group that has not received funds in the past has come forward this year, asking for assistance to help continue the events they have that drawn tourism—the Sharlot Hall Museum.

She said that in order to accommodate that they drafted a simple agreement with the Museum that considers: 1) a payment of up to \$30,000 annually from the bed tax funds; 2) the Historical Society will provide an annual accounting; and 3) a term is suggested to be five years.

She said that although they requested \$30,000 this year staff's recommendation was for \$23,000 as they have reduced all requests because of the lower bed tax revenues. She noted that Dr. Langellier was present should anyone have any questions.

Mayor Wilson asked if the amount had been budgeted. Mr. Norwood said that it had been budgeted, but it still had to come before Council because it was over the \$20,000 limit.

Councilman Bell asked Dr. Langellier to talk about some of the hits they had taken from the State. Dr. Langellier said that this year they have cut back funding from the State. In the 1990's 75% of their budget came from the State; today it is approximately 45%. He said that one of the pieces of legislation that did not go through was the Governor's idea to reduce their agency 20% per year for five years until they were no longer an agency.

He said that they have reduced the hours of the library, have charged for some of their events and eliminated others. He said that their festivals bring in around one-third of their 30,000 annual attendees which is not only important to them, but represents bed tax money to the City. They advertise through Prescott Area Coalition of Tourism (PACT), the Chamber of Commerce, and some straight advertising through national and international publications.

Dr. Langellier said that their goal is to continue to make up for the shortfalls by hosting other events, but also improving the museum proper. He said that if it is not a great place to live themselves, he would ask why a tourist would want to come. He said that they are too much a part of the community having been there for the past 80 years.

Councilwoman Lopas thanked Dr. Langellier for the hard work done at the Museum. She said that she has attended the festivals since she was a child, and now she is bringing her children. She said that they are so important and Sharlot Hall Museum is the heart and soul of the community. She said that she had no problem with use of the funding for that as it was perfect use of bed tax money.

Councilman Luzius thanked Dr. Langellier as well, stating that it was important to note that Sharlot Hall Museum was a part of Prescott history and it was unfortunate that the State did not agree. He said that he would rather see the funding come from the State but it is money well spent and they deserve it.

Mayor Wilson said that his wife serves on the board and in the long term they are trying to get the museum donated to the Foundation.

B. Authorization of Amendment #3 to a lease with River Hangar Corporation for the E1 Hangar at Ernest A. Love Field.

Airport Manager Ben Vardiman said that the City entered into a lease agreement in February of 1988 with Mike and Julie Clark which was subsequently amended in 1990 and again in 1992. The lease specified the City's responsibility for construction of access from the hangar to the taxiway system, but it was not constructed at the time of the hangar construction.

Prior assignees had used an access across another leased premise to facilitate access to the taxiway system. In 2004, the current assignee requested that the City provide the access taxiway to the leased premises guaranteed under the lease terms and conduct erosion control on the adjacent slope west of the hangar. Discussions occurred between the parties from 2004 to 2006 to come to an amenable solution which provided for a one-month extension to the lease term for each month since 01-01-06 until the improvements were completed.

The City began work as agreed upon in the late fall of 2006 and has since completed both aspects of the erosion control and taxiway access. As compensation for the lease, the lease improvements for both the E-1 and E-2 Hangar were financed by Mike and Julie Clark. The E-1 Hangar was leased to Mr. Clark at no additional cost beyond the financing and the E-2 Hangar was made available for a revenue lease by the City. The 37 month extension of the original lease term for the E-1 Hangar sets the expiration date of the original lease term as September 11, 2016. The lease contains a five year renewal option subject to the Lessee providing written notice.

Councilman Bell asked if there was no cost of living increase. Mr. Vardiman said that the Clarks funded the construction of the facility, as well as the adjacent facility for around \$200,000 and in exchange they received a no-cost lease and the City was given the second hangar.

- C. Award of bid and contract to Fann Environmental, LLC, for Water Meter Installation Services, in an amount not to exceed \$133,425.00.

Councilman Bell recused himself as he may have a conflict of interest since he works for Fann Contracting.

Public Works Director Mark Nietupski said that this was to award a bid and contract with installation services to provide the physical labor for the removal, replacement, and documentation of the water meters as they were changed out. This will continue the meter replacement program outlined with the purchase of radio read water meters previously approved in July 2009.

He said that the replacement meter program utilizes a radio-read system which improves accuracy and efficiency, with the purpose of reducing water and revenue loss by changing out old meters that become inaccurate with cumulative water flow over time. He said that upon completion of the water meter change out on Routes One and Five, three routes will remain to complete the water meter replacement project.

He noted that eleven bids were received from companies in eight states, with the lowest responsible bid from Fann Environmental. He said that the budget is \$1.6 million; there is a balance of \$1.5 million and the WIFA financing makes this available.

Mr. Norwood said that this was an extremely favorable bid and the beauty is they have two more cycles to complete the system and this unit price with CPI can be extended.

Councilman Roecker commented on how much lower the bid was to the others. Mr. Nietupski said that it was about \$60,000. He added that they are familiar with personnel at Fann, and many are former City employees. He said that they were not concerned with their ability to perform.

- D. Approval of renewal of Airport General Liability Insurance Policy with Ace Property and Casualty Company in the amount of \$22,500.00.

Risk Manager Sheri Swain said that the City's insurance broker, Willis of Arizona, approached 11 carriers for renewal of the airport general liability and the City's incumbent carrier, Ace Property and Casualty Company, came back with the most favorable quote of a zero increase. She said that

the airport has seen double activity in enplacements and staff was recommending that they renew for the \$22,500.

- E. Approval of Replat of Lot 19, Quail Hollow Units 1 & 2, creating two lots from one, located at the corner of McDonald Drive and Sycamore Canyon. (RP09-002, Owner, Ruth Hammett; Applicant, Lyon Engineering)

Community Development Director Tom Guice said that this was an application to divide the existing 1.41 acre parcel (Lot 19) into two lots. He said that when it was platted in 1996, it included Lots 19, 20, 21 and a portion of 18. The property was replatted in 2000 into a single lot. The current application is to redivide the property into two lots, Lot 19 and Lot 20. The zoning of the property is Single Family 19 (SF-18) and the application requires Council approval because it increases density within the subdivision.

Mayor Wilson asked if there were any objections from the public. Mr. Guice said that they did not have public input because both lots exceed the minimum Code lot size requirements.

- F. Approval of Special Use Permit for the Expansion of Auto Max located at 221 West Willis Street. (SUP09-002, Owner, Marie Smith; Applicant, Headwaters Architecture)

Mr. Guice said that this was a request for a Special Use Permit to expand the existing Auto Max located at 221 Willis Street. He said that the existing shop includes five repair bays and the proposed expansion includes a building addition to create a new bay and the conversion of an existing bay into a storage space for tool and parts. It would then continue to operate with five repair bays.

The existing parking lot is gravel and accommodates more than 20 vehicles. Paving and striping of the lot is required as part of the expansion. He said that typically parking setback is at least 10 feet from all rights-of-way and 5 feet from other property lines. Given that this property has been operated as an auto repair business for 47 years, a waiver to the parking lot setback requirement was requested.

Mr. Guice said that at the July 30 meeting the Planning and Zoning Commission voted 6-0 for approval, with the waiver related to parking and landscaping. During discussions, they had concerns voiced about landscaping and the business owner has agreed to landscape areas on both sides of the sidewalk.

Councilman Luzius said that he thought it was a good application and he thought it was good they were flexing this a bit so businesses can go forth in these times.

Dan Baggerly, owner of Auto Max, clarified that they agreed to landscape between the sidewalk and parking lot. He noted that the City just improved the landscaping between the sidewalk and street within the last year. Mr. Guice retracted his statement, noting that was correct.

- G. Approval of Special Use Permit for Eco Oil Change located at 220 South Montezuma. (SUP09-003, Owner, Brad Christensen; Applicant, Diane Rosito)

Mr. Guice said that this applicant is asking for the same waiver to landscaping the ten feet along Goodwin and Montezuma and five feet along the alley and building. He reviewed the application noting that they are proposing to do the building with white metal cladding, repaving the parking lot, planters and new signage. He added that this is for a five year Special Use Permit.

He said that the Planning and Zoning Commission approved it with a few specific conditions: waiving the parking/landscaping setback, existing planters to be landscaped in a manner consistent with other landscaping in the downtown area, maintained by the business operator or owner and kept weed free; be in general conformance of the site plan received 8/24/09, special use permit not to extend beyond a five-year period, unless extended by Council, and fees to be waived by Council.

Mr. Guice said that because this is located in the historic district they also took it to the Prescott Preservation Commission who looked at it for signage and the Special Use Permit. They voted unanimously to support the Special Use Permit, but had concerns with the signage and the white metal cladding. They agreed for the finish of the cladding to be a matte finish so there would not be such a glare. They also agreed to use a diffuser on the downlighting to address the glare concerns.

Mayor Wilson said that at one time they had approved a mixed use development at that location. Mr. Guice said that it had gone through Prescott Preservation Commission for a mixed use condo project, and that is still a possibility; perhaps when the market improves.

Mayor Wilson asked Ms. Rosito why they were going with the white rather than green. The applicant said that her look was white with green trim.

Councilman Luzius complimented Ms. Rosito, noting that he knew it had been a laborious job getting everything done and he thanked her for sticking with it. He said that it was great to make the property functional and bring tax revenue into the City. He added that Prescott Downtown Partnership had also signed off on the project.

- H. Adoption of Ordinance 4716-1013 – An ordinance of the Mayor and Council of the City of Prescott, Yavapai County, Arizona amending Title X, Land Development Code, of the Prescott City Code by providing for changes to Table 6.2.3, Section 11.1.3.D.3, Table 11.2. (LDC09-002)

Mr. Guice reviewed the changes to the Land Development Code, which he noted had been initiated by WESCAP that would decrease the parking requirements for workforce housing type projects.

He said that with these changes those rental or workforce housing type projects would not be required to park the third bedroom for the multifamily projects. He said that there is additional language being included in the Code with respect to providing adequate on-site area in order to accommodate parking in the event that these workforce housing projects ultimately do go market rate one day.

He said that he also spoke with Miriam Haubrich with Habitat for Humanity and they were very supportive of reducing the parking requirements, although the vast majority of their projects are considered to be single-family residential with just a two car parking requirement.

Mayor Wilson said that this type of housing is a priority of the Council and anything they can do that is reasonable to support it is something they should be doing and he was glad to see it coming forward.

- I. Adoption of Resolution No. 3988-1018 – 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 FY10 for an updated determination and mapping of the 100-year Floodplain for the Tributary Creeks of Granite Creek and Willow Creek, topographic mapping, and drainage improvement projects and authorizing the Mayor and staff to take any and all steps necessary to accomplish the above.

Mr. Nietupski said that this was an Intergovernmental Agreement with the Yavapai County Flood Control District for an updated determination and mapping of the 100-year floodplain for the tributary creeks of Granite Creek and Willow Creek, topographic mapping, and drainage improvement projects.

- J. Notice of Public Hearing (September 8) and consideration of liquor license application submitted by Danny Thomas, applicant for Prescott Inn & Suites, for a Series 11, Hotel/Motel, license for Prescott Inn & Suites located at 4499 Highway 69.

Ms. Burke stated that this was notice of the public hearing scheduled for next week for a new liquor license at the Prescott Inn & Suites located at 4499 Highway 69, due to a change in ownership. She said that the property has been posted and no comments had been received to date.

Mayor Wilson said that this is being converted into a Wyndham Garden Hotel in the near future and he will be extending an invitation to the owner to give a small presentation during this item next week.

- K. Notice of Public Hearing (September 8) and consideration of liquor license application submitted by David Hallum, applicant for Hallum, Inc. for a new Series 10, Beer & Wine Store, license for Hallum Stores located at 909 E. Gurley Street.

Ms. Burke stated that this was notice of the public hearing scheduled for next week for a new liquor license at the Hallum Stores located at 909 E. Gurley Street. She said that the property has been posted and no comments had been received to date.

- L. Approval of minutes of the Prescott City Council Special Meeting of August 25, 2009; the Regular Voting Meeting of August 25, 2009; the Special Meeting of August 31, 2009 and the Study Session of September 1, 2009.

No discussion.

- M. Selection of items to be placed on the Regular Voting Meeting Agenda of September 8, 2009.

Councilman Bell read the items for the Consent Agenda: A, B, D, E, F, G, H, I and L.

### **III. ADJOURNMENT**

There being no further business to be discussed, the Study Session of the Prescott City Council held on September 1, 2009, adjourned at 3:36 p.m.

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JACK D. WILSON, Mayor

ATTEST:

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ELIZABETH A. BURKE, City Clerk