

PRESCOTT CITY COUNCIL
JOINT WORKSHOP/SPECIAL MEETING
TUESDAY, JULY 20, 2010
PRESCOTT, ARIZONA

MINUTES of the Prescott City Council Joint Workshop/Special Meeting held on July 20, 2010 in the City Hall Council Chambers, 201 South Cortez, Prescott, Arizona.

◆ **CALL TO ORDER**

Mayor Kuykendall called the Joint Workshop/Special Meeting to order at 2:02 p.m.

◆ **ROLL CALL:**

PRESENT:

Mayor Kuykendall
Councilman Blair
Councilman Hanna
Councilman Lamerson
Councilwoman Lopas

ABSENT:

Councilwoman Linn
Councilwoman Suttles

PUBLIC WORKSHOP

1. Presentation on the Final Report of the Safe Yield Work Group of the Upper Verde River Watershed Protection Coalition by John Rasmussen, Coordinator, Yavapai County Water Advisory Committee.

Mr. McConnell said that this report was the result of a discussion at the May 10 meeting of the Upper Verde River Watershed Protection Coalition where it was requested that each community receive a presentation of the report. He said that John Rasmussen was not singularly responsible for the report, but would be giving the presentation today.

Mr. Rasmussen acknowledged Howard Mechanic who was a member of the Safe Yield Work Group.

The purpose of the Safe Yield Work Group was to put together a plan to achieve safe yield in the Active Management Area, which is part of the Coalition's overall management goal. He said that a Safe Yield Work Group was put together comprising of members of the Technical Advisory Committee and the public.

He then reviewed a PowerPoint presentation, Exhibit A attached hereto and made a part hereof, which addressed the following:

- ▶ REPORT RECOMMENDATIONS:
 - ▶ REPORT OUTLINE
 - ▶ SAFE YIELD AND OVERDRAFT
 - ▶ MAJOR FINDINGS OF THE REPORT
 - ▶ COSTS
 - ▶ COST TO REACH SAFE YIELD
 - ▶ MANAGEMENT STRUCTURES
 - ▶ MANAGEMENT STRUCTURES EVALUATED
 - ▶ MANAGEMENT STRUCTURES – REPLENISHMENT DISTRICT
 - ▶ MANAGEMENT STRUCTURE FEATURES - SUMMARY
 - ▶ REPORT RECOMMENDATIONS
1. Public Education Program addressing Safe Yield
 2. Understand the details of creating a Replenishment District

Mayor Kuykendall asked Mr. Mechanic if he had any comments.

Mr. Mechanic said that three years ago the Coalition discussed this and it was a perfect coalition to get this going as all of the jurisdictions in the AMA sit on its Board; however, it is not the perfect group to run a replenishment district for a few reasons. First, the Coalition is a bureaucracy in that the members do not vote on anything; they have to go to each jurisdiction for action. Second, they have no funding authority. Third, there was a question of whether one member could drop out after years and mess up the funding from the others.

He said that they need to solve safe yield. The cost of not reaching safe yield is going to be close to the cost of reaching it and they need to act soon. This is not something far in the future. Every year they lose about 11,000 acre feet of water in the aquifer.

Mr. Mechanic said that it had come to his attention that they were not the only area in the country that needs to work together to solve water problems. In many cases the Bureau of Reclamation works with jurisdictions, but they would not come in and deal with the City as a separate entity. There has to be a unified

entity to deal with these issues, and the point was that they need to work together.

He said that the idea is that if they were amenable to working out the details then they could get some resolution from the Council asking the Coalition to pursue those objectives. It would come back to the Council; they would not be signing a blank check. There would be no commitments whatsoever in the way of the Replenishment District. They would just be asking to see more details worth out further.

Councilman Lamerson asked if anyone had reached safe yield. Mr. Rasmussen said that Prescott is perhaps doing more than many others. He said that the figure mentioned of 11,000 ac. ft. per year is for the AMA as a whole, from the Department of Water Resources.

Councilman Lamerson said that one thing that keeps getting lost is that Prescott cannot solve this issue as Prescott; it has to be solved by all the players, as well as the State.

Mr. Mechanic said that they have about 8,000 ac. ft. coming in to the AMA each year. If they want to continue the underflow going to the Verde River from the AMA, approximately 3,000 ac. ft., that leaves 5,000 ac. ft. for everyone in the AMA to pump. In order for Prescott to determine if it is in safe yield, they would have to determine how much of that 5,000 ac. ft. Prescott should pump. Prescott is pumping more than that already itself. He agreed that Prescott was doing more than the others, and they do all need to work together.

Councilman Lamerson said that Prescott does not have jurisdictional authority over exempt wells, or the consumption of other municipalities. It is important to acknowledge the fact that while Prescott may not be the poster child, they have taken the lead in a lot of the areas trying to solve some of the water issues.

Councilman Blair said that Mr. Mechanic made the comment regarding the overdraft being taken away from the Verde River. He said that he has not seen that report. Mr. Mechanic said that there was an underflow from the AMA; 15% of the base flow of the Upper Verde River comes from that area. He said that he would get a copy of that report to Councilman Blair.

Councilman Blair said that the State mandates things but continues to allow exempt wells. He said that when they talk about wells going dry they need to ask whether they were qualified wells in the first place. He said that if someone puts in a well at the first drop of water and it eventually goes dry, they cannot say it was from a depletion of the aquifer.

He said that they cannot say that anyone else has reached safe yield. He appreciated the fact to have an opportunity in Prescott to try and reach their

share of safe yield and if that is what the Coalition is about to assign that was okay with that. They have shown that they can reach safe yield if they pledge the water from the Big Chino.

Mr. Mechanic said that they were talking about wells in the AMA and Councilman Blair was talking about wells in the Big Chino which are not in the AMA.

Councilman Blair said that if they were talking about wells going dry in the Chino Valley area, that were drilled decades ago, the question should become whether they were depleted because of use or because of the environment and dry years.

Mr. Mechanic said that there were test wells all over the AMA and on a regular basis they have measured the depth of the AMA. The water keeps going down in a vast majority of the test wells. Councilman Blair noted that some have gone up.

Mr. Mechanic said that if they want to reach safe yield they need to work together, including the exempt wells, and they were the first ones to be hurt because they have no alternative. When they go dry they will want water from Prescott. He said that the idea of dividing responsibility of jurisdictions came out four or five years ago but that idea was not picked up as the best alternative for various reasons. He said that Prescott has the best chance, if divided up, to take care of its part of the overdraft, but Prescott's citizens are going to spend millions of dollars to be assured that they were not saving water that someone else is going to use and that could happen. That was why they need everyone working together.

Councilman Blair said that if they can import water as the state says they could they could reach safe yield any time they want to but if someone is actively pumping for a massive development it may hinder all of them. They need to be looking at the larger picture. Mr. Mechanic said that the issues need to be developed and he asked who was going to do that. He said that it is an AMA problem, not a Prescott problem.

Councilman Blair said that they need to work on the other communities and the County. Mr. Mechanic said that at the Coalition meeting all of the jurisdictions were to take the report back and discuss it with their respective councils/boards. He said that Prescott was the second jurisdiction to do so.

Councilman Blair said that the City approved a conservation measure that has now affected the sewer system. He asked what more the City of Prescott should do. Mr. Mechanic said that they would ask that the City approve the two recommendations and let them take that back to the Coalition. Unless all of the jurisdictions agree it will be difficult. They need assistance from the State and if they are not united it will not go anywhere.

Councilman Lamerson asked if there had been any discussion as to what the state was prepared to do for their accountability with regard to exempt wells. Mr. Rasmussen said that the short answer was no. There are discussions periodically occurring about the problem in Yavapai County in general. His understanding was that it was around 11,000 in number. In his experience they have not gotten far with those discussions.

Mr. Mechanic said that if they had everyone fund a Replenishment District it would include the exempt wells. There were different ways to address the issue that need to be investigated further. He said that the Water Authority was an alternative but they did not get much support for that as it restricted people's rights. Councilman Lamerson said that he agreed; he would not support that, but on the other hand he does not agree with holding the residents of Prescott to a different standard when they were doing more and others were doing very little.

Councilman Hanna said that the idea of reaching safe yield was a good one, but he doubted that it will ever happen. He said that one thing they have not considered is that everything runs in a cycle such as the rainfall and replenishment of the aquifer. He said that when he was reading the report he was concerned that the Replenishment District would be "prohibited from selling potable water, requiring measurable well devices, requiring mandatory conservation, regulating water use and regulating land division and exercising eminent domain, regulating zoning issues and implementing or other regulations as may be defined during this formation." He did not think that government should be involved to that degree. Mr. Rasmussen said that those were put in there to alleviate those concerns.

Councilman Hanna said that when they start metering wells they start butting heads with everyone. The less bureaucracy they can have in their lives the better of they will be.

Mr. Rasmussen said that he appreciated those comments. He said that he was unaware of any talk in the state about metering wells. Councilman Hanna said that he had a well and was given some information to that regard.

Councilman Blair said that he is anxious to know where the Replenishment District would be and what exactly they were trying to achieve. Mr. Mechanic said that those were details that need to be worked out. As far as what projects, conservation, replenishment, etc., they can speculate at this time, but they want to do more investigation. He said that there were various options that need to be studied and if they do not study it they will get nowhere. He said that they were not debating on Colorado River water at this time; they were debating on whether they want to reach safe yield.

Councilman Hanna said that there were a lot of scientists that they were in a global warming; others say they were not. They can get scientists to say whatever they want. He does not buy the scientific rhetoric that they were not going to have the same snowfall as they used to have.

Mr. Mechanic said that they do not need to go there at this point unless they believe this will be solved without any action. Councilman Hanna said that he believed it would take some action but asked if this was the right action. Mr. Mechanic said that he did not like bureaucracies any more than the others but the point is they need the best solution to the problem. Councilman Hanna said that he agreed with him on that. He said that they need to get the facts out to the people and not give them facts that are misleading. He believed they were trying to do everything they can over and above what the other communities in the AMA are and he took offense that it was directed toward Prescott.

Mr. Mechanic said that it was not directed toward Prescott and no one said it was. Councilman Lamerson said that one of the things on their water rates has to do with alternative water and at one time Prescott was sealed at a particular assured water perspective and Prescott already implemented rate increases that the citizens of Prescott pay for alternative water. He may not be warm with coming up with another idea to approach the citizens of Prescott for another tax on their water consumption when others in the AMA have not done so.

Mr. Mechanic said that he did not think that anyone in Prescott would support double-dipping. Any project has to be considered. He was a taxpayer as well. He did the research that showed that under Proposition 400 all effluent in large annexations would go to permanent recharge. They are paying for that right now; 20% of their bills go to safe yield. The point is that the public in Prescott is paying millions. They will not be double dipped, but if they do not have a plan to reach safe yield he asked why they should be paying \$100 million to recharge 5,000 acre feet. Councilman Lamerson said that he did not think they were arguing on that one. Mr. Mechanic said that they need to work together on it.

Mayor Kuykendall thanked Mr. Rasmussen for his leadership in the study group and thanked Mr. Mechanic for his participation. He agreed that Prescott was standing out in front with what they were trying to do. He agreed that they need to work with the others and the Council was determined to do that. He asked Mr. Rasmussen where he thought the County's position would be with a water district.

Mr. Rasmussen said that he believed that the County was undecided at best. He did give the presentation to them a month ago and the general discussion among the board members and public was similar to the discussions today. They did not take action on either one of the recommendations. He expects that they will bring up the report in the future, within the next few months.

He said that the County was clear to point out that it was not just the two recommendations; there may be others as well. One of the general things he heard at that meeting was there were a few ways of looking at it. The report focused on the managerial function and perhaps it could have focused on projects. He said that the committee did contemplate that process but the question kept coming up as to how to pay for them.

Mayor Kuykendall said that if the County retains that position he asked Mr. Rasmussen where they saw the Coalition directed. He asked if the cities could move forward without the County. Mr. Rasmussen said that it seems that individuals were moving forward and the point should be well taken that they were drawing from the same resources. They need to work together.

Mayor Kuykendall said that he could assure them that Prescott, SRP and Prescott Valley would continue to move forward. When the other players pick up the bat it will help. He said they never want it to be an “us versus them.”

2. Presentation on the Noise Ordinance.

Police Chief Kabbel said that at this time of the year they receive complaints on loud noise including events on the square such as bands, bars, motorcycles, loud stereos. They have been enforcing the Code, but wanted to evaluate it and see if there were changes needed. In the evaluation with the Legal Department, they believe that the current ordinance was adequate to address any complaints or violations.

He said that they have a city ordinance and two state statutes. One of the statutes refers to decibel levels permitted so they are recommending additional signage be posted at the City limits and in the downtown corridor, obtain two sound level meters and education of officers on charging guidelines.

He said that with regard to enforcement, the two sound level meters would run around \$1,200 and the signage downtown would be around \$915, for a total of \$2,115.

Mayor Kuykendall said that they have had a lot of input from people and most received were about those enjoying their motorcycles. The complaint is always that it is very few causing havoc and one suggestion was that they have small signs placed at the entrance to town and also on the speed signs in the community. He asked if that was an option.

Chief Kabbel said that it was reasonable. It would cost more money, and sometimes they sign themselves to death. He said that he would like to see them try the main corridors and in the downtown and see how that works first, evaluate it and then consider whether they need to increase signage.

Mayor Kuykendall said that they had two calls today from bar owners and they both indicated that they would be willing to make sure their bartenders and bouncers could be part of the solution through the education process. They thought it was the City's battle to win and that they could do it without an additional law.

Dennis Duval, Prescott, said that the state statutes make it clear that it is illegal to operate a motorcycle without a muffler. He suggested that if parking enforcement sees that a motorcycle does not have a muffler they could issue a citation. He said that it was the method used in Baltimore, Maryland and shared with him by George Lutz.

He said that they were aware of the special interests on Whiskey Row, but it was a quality of life issue when motorcycle use makes it impossible to carry on a conversation in downtown. He asked how many people stay away because of the noise disturbing their peace and quiet. He said that motorcycle noise was just plain inconsiderate to everyone wanting to enjoy the unique atmosphere around courthouse square.

Mayor Kuykendall said that he personally thought it was far more than motorcycles; he found the boom boxes far more offensive. He said that he has not had one call regarding further restrictions and he would oppose them. He said that it is also far more than just the downtown. He would encourage people to keep the decibels down around the City.

Mr. Duval said that he was offering a method of enforcement that was inexpensive and went beyond public education and signage. It was simple to have the parking control person look at a motorcycle and see if it was running a straight pipe. Chief Kabbel said that unlike other states, Arizona Revised Statutes require that the vehicle be operated on the roadway to be cited. It cannot be parked and be cited. He said that parking attendants do not have authority to stop vehicles.

Councilman Hanna said that he understood, but just because there is an appearance of a straight pipe, it could still have a muffler.

Councilman Blair said that he appreciated the comments, but there were more things that aggravate him like dogs barking or foreign cars with mufflers larger than the car. He believed that the Police Department was working on this and leaving it with them was the best thing.

Councilman Lamerson said that he agreed; he found other things as offensive as motorcycles. He agreed with Councilman Blair that they have ordinances and they need to enforce what they have.

Bill Bonnewitz said that the City's noise ordinance was ten years old and there has been a lot going on since then, with increases in traffic. He thought they needed to take a hard look at the ordinance. He said that they need to get away with just addressing motorcycles. They need to address noise as a big pollution problem.

Mr. Kidd said that there have been a number of meetings with staff over the last year, working with the Police Department. He said that the officers have to be in the right place at the right time and unless they were it becomes hard to enforce. He said that the City's ordinance is similar to those of other cities. The difference is that they can monitor the decibels and it becomes an additional weapon to use in prosecuting.

Mr. Bonnewitz asked if the decibel meters were recordable. Chief Kabbel said that were similar to the radar guns; there was nothing printed out.

Councilman Blair said that it does not matter how old the ordinance was. He said that 35 years ago his 1968 Ford pick up got him a ticket. If it is obnoxious and something not tolerable it should be cited, but they do not need anything further regulations than what they have.

Steve Gugoin, Prescott, said that he had a business on Division Street, and he had been hearing a lot of ridiculous things. He said that he saw nothing about an actual decibel number. Chief Kabbel said that it was in the Arizona Revised Statutes as well as in R17-4-5-10 that talks about decibel levels.

An un-named speaker said that the limit is 83 dec., but a vacuum cleaner is 90 dec. and the gunfire down in the downtown square is 140 dec. which is ear-damaging. He said that he thought it would be hard to regulate and they will spent a lot of money taking it to court.

Chief Kabbel said that they would move forward and report back to the Council on its progress.

David Pratt, Chino Valley, said that he works in Prescott and has a mailbox there. He said that there is a lot of expense that is going to be incurred by stricter enforcement when it is already being enforced appropriately. He said that they were fixing something that was not broken.

Mayor Kuykendall explained that they have received citizen complaints and when they get a complaint they try to arrive at a solution.

Rudy Wolfe said that he had been a citizen for nine years. He said that there are some motorcycles that were designed to make noise. He said that at the end of Simmons' term he had asked how many prosecutions they had and was told

four, with three convictions and one pending. He asked how many they had in the last year. Chief Kabbel replied that they have had 73 complaints issued, but not everything ends up in court.

Mr. Wolf said that they should have the noisy bikes go to the Police Station and be tested there.

3. Presentation on the Alarm Ordinance.

Police Lt. Reinhart said that they last time they met they had offered some different options and Council gave them direction. What was being presented today was based on that direction. He then gave a PowerPoint presentation which addressed the following issues.

- ▶ FALSE INTRUSION ALARMS
- ▶ PURPOSE AND RECOMMENDATION
- ▶ BACKGROUND
- ▶ DISCUSSION / ANALYSIS

Councilman Lamerson asked how many officers they usually send when they respond to an alarm. Lt. Reinhart said that they normally send two.

Councilman Blair asked Councilman Lamerson how many false alarms he had at his jewelry store over the years. Councilman Lamerson said there had been very few. Councilman Blair said that he did not believe that the \$100 was enough.

Councilman Lamerson said that many times they can get a heavy duty truck rolling down the street and it can set off alarms.

Lt. Reinhart said that they looked at various agencies and what was charged throughout the nation. They did have a progressive scale, which would be reviewed.

- ▶ DISCUSSION – ANALYSIS

Lt. Reinhart said that after the second warning the charge would be \$100 per false alarm and that would increase by \$100 every time. They would invoice for payment and if they failed to pay it would go to collections like they do with citations. If they continued to refuse to pay they would go to a verified response procedure for that location. Police would have to have an indicating that there was a break in before they would respond to it.

- ▶ DISCUSSION – SOLUTION

▶ FISCAL IMPACT

He said that they would hire a part-time person to oversee the program, but they believed that with the fine structure imposed it would be neutral in expenses.

Lt. Reinhart said that they were looking for direction from the Council, on whether they should move forward with bringing an ordinance to Council for consideration.

Councilman Hanna asked if there would be a fee for the permit. Lt. Reinhart said that they would charge a \$15 fee yearly for maintenance of the permit, to the permit holder and the alarm business.

Councilwoman Lopas asked if the “freebies” would be on an annual basis. Lt. Reinhart said that it could take three years to use up the freebies.

Councilman Lamerson asked if he heard that they were dedicating the revenue generated through the fines and permits to the program. Lt. Reinhart said that was correct. It was not being used as an income stream, but would be cost neutral.

Lt. Reinhart said that when other cities did a similar program they have seen a 30-60% drop in false alarms. They were anticipating similar changes, but they do not think they will ever alleviate the false alarms.

Councilman Blair said that he appreciated what was being presented and agreed with it. He said that he would like to see a complete run down of how the response has been after one year of the program being in place.

Mayor Kuykendall asked how many alarm systems they had in the City. Lt. Reinhart said that they went with the national average and were expecting there to be around 5,000 alarms.

4. Presentation on upcoming changes to Arizona Revised Statutes regarding commercial solid waste hauling.

Chad McDowell gave some history on changes that have been made recently in the state by the legislature having to do with commercial accounts within the City. He gave a PowerPoint presentation which addressed the following issues.

▶ PLANNING FOR CHANGE

Mr. McDowell said that they have been networking with other cities such as Casa Grande, Sierra Vista, Flagstaff, Yuma, Kingman, all of whom are in jeopardy like

the City of Prescott is. Most of them are working closely with the City to see which laws we implement. They looked at the big cities of Mesa, Surprise, etc. who have been at the forefront in solid waste. They reached their population limit a long time ago and shared their success stories with staff as well as their failures.

He said that they had suggested that the City have license agreements, which would guarantee rates for a three-year period of time and they have been able to secure about 350 accounts.

Ms. Hadley said that pursuant to Arizona Revised Statutes they have to put everything on a level playing field. She said that they also have to be competitive. The competition now has salesmen out trying to secure accounts, so some of the City solid waste employees are also doing that.

Councilman Lamerson said that there are certain types of vehicles that abuse the roads differently and it would seem that garbage trucks would be those sorts. He said that while they were handling the rates for garbage, they are collecting the money that is brought back into the City that is used to fix the roads. He asked if there was a mechanism to compensate the City in bringing these other trucks.

Mr. McDowell said that right now the City charges itself \$15,000 per truck per year, which is roughly five percent of their gross revenue, and that is charged on every truck, whether it is for residential or commercial service.

▶ MARKETING CITY SERVICES

▶ STATUS REPORT JULY 2010

▶ FEES AND CHARGES FY 11

Mayor Kuykendall said that they were guaranteeing rates for the commercial users for a three-year period, but they were raising residential rates for the same service. Mr. McDowell said that they have not signed contracts for residential. He did not believe they were going to be able to for the residential because they were scheduled to go up. They will be doing a rate analysis this year and see how much this affects them. He said that the fee would be adopted each year by the Council.

▶ LANDFILL CLOSURE MAINTENANCE FEE

Mayor Kuykendall asked how much was in the Landfill Closure Maintenance Fee fund. Mr. McDowell said that it was around \$1.2 million. He said that they were

going to do a rate analysis on what they would need to have, working with Travelers Insurance.

Ms. Hadley said that they do have monitoring wells near the landfill and contamination is not a threat at this point. She said that they monitor it closely.

▶ TRANSFER STATION FEE

Councilman Lamerson asked what they did with the recycling. Mr. McDowell said that they have two contracts for recycling. One for commercial recycling the City is paid \$10/ton and that is taken to Mattera.

He said that the concrete, asphalt, dirt and rock go to the Field Operations area and it is recycled. Councilman Lamerson asked what it would cost to go buy what they were recycling. Mr. McDowell said that the asphalt millings would cost around \$25/ton. Councilman Lamerson noted that the City pays \$15/ton to not have to pay the \$25/ton.

▶ CITY CODE CHAPTER 2-13

▶ COMMERCIAL SOLID WASTE HAULER PERMIT

Mr. McDowell said that the City does not pay the right-of-way fee; however, the dumpster enclosures downtown were paid for by the Solid Waste Division.

Councilman Blair asked what would happen if the private haulers damage one of the enclosures. Mr. McDowell said that it would be handled through their insurance, which is why the City was requiring insurance coverage.

Mayor Kuykendall said that he has heard an argument that the City does not have to break even because the taxpayers will pick up the difference, but the private haulers have to break even. Mr. McDowell said that the Solid Waste Division is run as an enterprise fund; it is run just like a business. He said that they have to break even or make a little money to have cash reserves. He said that if they were not doing that then he would not be there next year.

Ms. Hadley said that there was a lot to take in with all of the Code revisions. She said that Legal has looked over the proposed changes as well as Risk Management and she believed they were both comfortable with the permit process.

Councilman Blair asked what the downside would be of what they were doing. Mr. McDowell said that the downside is that the private haulers will be charged 5% of their gross revenue to operate. Councilman Blair said that he was glad they were doing that.

Ms. Hadley said that it was not unlike the City's franchise fees paid to use the City's rights-of-way. Councilman Blair said that it was a cost of doing business and as long as the City was paying as well, he was fine with it.

Mayor Kuykendall said that the profit from the Solid Waste Division in the past is what has been used to help pay for the free pick up day. If they do not make the money they have in the past that may have to be curtailed.

Councilman Lamerson said that it was a good presentation. He said he one of those that was not pro-tax or pro-fee, but on the other hand they know from historical activity the kind of vehicles operating to pick up garbage mess up the roads. He did not think that free enterprise should be able to come in and damage the roads without paying for it.

Ms. Hadley said that they would bring the code changes back to the July 27 Council meeting and they would be asking for an emergency clause because the State Statute kicks in on July 29 so they need their ordinances in effect prior to that time.

Mayor Kuykendall asked if the City's billings were on a calendar basis or staggered through the month. Mr. McDowell said that the trash billings were staggered.

Mayor Kuykendall said that along with the three-year contract they were asking for a three-year commitment from the customer. He asked what would happen if they decide to not continue for the three-year period. Mr. McDowell said that they could break it but it is a six-month payout.

5. Adjournment.

There being no further business to be discussed, the Workshop of the Prescott City Council of July 20, 2010 adjourned at 4:32 p.m.

SPECIAL MEETING

1. Call to Order.

Mayor Kuykendall called the Special Meeting to order at 4:32 p.m.

2. Recess into Executive Session.

**COUNCILMAN BLAIR MOVED TO RECESS INTO EXECUTIVE SESSION;
SECONDED BY COUNCILMAN LAMERSON; PASSED UNANIMOUSLY.**

3. EXECUTIVE SESSION

A. Discussion or consultation for legal advice with the attorney or attorneys of the public body, and discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation, pursuant to ARS 38-431.03(A)(3) and (4).

1. Lexington Insurance Company v. City of Prescott (Retirement Housing, Casa de Piños).

B. Discussion or consultation for legal advice with the attorney or attorneys of the public body and discussions or consultations with designated representatives of the public body in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property, pursuant to ARS 38-431.03(A)(3) and (7).

1. Re 4.68 acres of vacant land located on Eastwood Drive.

4. Adjournment.

The Prescott City Council reconvened into Open Session at 5:38 p.m. at which time the meeting adjourned.

MARLIN D. KUYKENDALL, Mayor

ATTEST:

ELIZABETH A. BURKE, City Clerk