

PRESCOTT CITY COUNCIL
STUDY SESSION
TUESDAY, NOVEMBER 2, 2010
PRESCOTT, ARIZONA

MINUTES of the PRESCOTT CITY COUNCIL WORKSHOP held on NOVEMBER 2, 2010 in the COUNCIL CHAMBERS located at CITY HALL, 201 SOUTH CORTEZ STREET, Prescott, Arizona.

◆ **CALL TO ORDER**

Mayor Kuykendall called the meeting to order at 3:00 p.m.

◆ **PLEDGE OF ALLEGIANCE** Councilwoman Suttles

Councilwoman Suttles introduced Officer Andy Wing, who, in August 2010, was able to administer emergency medical service to an individual until transported to Yavapai Regional Medical Center for further treatment. If not for him the individual would have suffered brain damage.

Officer Wing led the Council and audience in the Pledge of Allegiance.

◆ **ROLL CALL:**

PRESENT:

Mayor Kuykendall
Councilman Blair
Councilman Hanna
Councilman Lamerson
Councilwoman Linn
Councilwoman Lopas
Councilwoman Suttles

ABSENT:

None

I. PUBLIC COMMENTS

A. Introduction of Dr. Kristin R. Woolever, President of Prescott College.

Mr. Ach introduced Dr. Woolever, the new President of Prescott College. He said that she had been in higher education since 1973, with a Teaching Assistant job at the University of Pittsburg. She received her Ph.D. from the University of Pittsburg and taught at Allegany College and the University of Michigan. She went on to North Eastern University of Boston where she was a full professor of English and tenured there. She was Department Chair and Interim Dean of Cooperative Education. Mr. Ach continued to list her credits.

Dr. Woolever noted that she had been in Prescott since the middle of June. She said that Prescott College was a wonderful part of the community and had a great deal of economic impact. They would like to establish greater and more productive relationships with the City and would welcome any suggestions. She would establish an advisory council between community members and the college.

She noted that they had \$9.3 million in local payroll. Over 509 undergraduate students lived in Prescott and spent over \$4.8 million each year. The graduate students came to town several times per year, spending over \$1.1 million in shops, restaurants and hotels. The total annual impact on the local economy was estimated at over \$26,362,500. That represented an indirect economic impact of \$79 million with over 768 local jobs.

At a time when most other businesses were contracting, Prescott College realized a 14% increase in revenues from 2009 to 2010 and a 35% increase since 2006. Those were all dollars originating outside the local economy, most of which were spent locally. They had invested over \$12 million in the campus over the past decade. The Student Housing Project, scheduled to break ground next spring, was a \$7 million dollar project, which was supported by City staff to be the largest construction project in the pipeline.

Mayor Kuykendall said that the City was also looking forward to working with them.

B. Introduction of new businesses.

Chamber of Commerce Executive Director Dave Maurer introduced the following new businesses:

- ▶ Athena Lulman, Barbed Wire Rose, 103 East Gurley Street, 928-821-0207.
- ▶ Virgil Aurand, Sun Mountain IT, 117 East Gurley Street, 928-777-8474.
- ▶ Danielle and Anthony Adams, Adams Specialty Automotive, 347 Lincoln Avenue, phone 928-771-2001.

C. Alice James re thanks to Council for activities on the Square.

Ms. James, 459 South Marina, said that she was an Arizona native and wanted to thank the City for the events on the square, especially Prescott Karaoke Idol and Tuesday Nigh Jazz.

Mr. Norwood noted that Becky Garvin was responsible for putting the events together and that she was a master at special events. He added that September's sales tax was up 3% and bed tax was up over 14%.

D. Chris Kuknyo re garbage collection service in the City.

Mr. Kuknyo, 3519 Nicolet Trail, said that he was one of the cofounders of Patriot Disposal. They had served Sedona to Chino Valley and had been welcome wherever they had served until six months ago. That was when the State passed a bill allowing them to compete in the hauling of commercial and recycling. The new law allowed municipalities to promote competition. The City had not promoted competition. The day before the law took affect, the City passed Resolution 4036. He said that it should be repealed and destroyed as he felt that some of it was unconstitutional.

He felt that the City was charging him a fee for having the audacity to compete with the City. He asked for a level playing field. He sited various requirements made by the resolution and said that in three blocks, he found 20 City containers out of compliance.

He noted that the topping of the cake was found on page 30 where it stated "any person who violates any provision of this chapter shall be guilty of a misdemeanor and upon conviction thereof, shall be punished. Each and every day any such violation continues shall be deemed and considered a separate offense".

He noted that most of the Council did not know that the City trucks were servicing commercial accounts outside of the City limits. They were okay with competition. The City of Prescott held a monopoly on residential services within the City. He was not allowed to service customers within the City limits, but now the City was going after his residential customers outside of the City.

Proposition 402 forced him to use the City's transfer station. That facility charged almost double what the landfill charged him. The City would then take the trash to that same landfill.

He was aware that the City signed a 20 year agreement with Waste Management to give them the City's trash. He said that the City should have innovated, like the private sector.

When the Town of Prescott Valley was having problems with the different haulers, the City Manager brought them all together and asked them to come up with a solution. The result was an agreement that solved the problem.

He suggested that the City repeal Resolution 4036 and seek all effective parties to have an input on an agreement that they could all live with.

Councilwoman Suttles asked if the Legal Department had answers to some of his concerns. Mr. Kidd said that the only repose he could have to a public comment was that the resolution was passed prior to the act becoming effective. At that time they had no regulations. It was based on a number of ordinances; one was from Mesa. The other issues were not proper to address because it was an election issue at this time.

Councilman Hanna asked if the City of Prescott was going to Prescott Valley and picking up trash – outside the City limits. Mr. McDowell said yes, they picked up from commercial accounts to make up for lost revenue in the City.

Councilman Hanna asked why the City was taking away private people's business by going out of the City. Mr. McDowell said that it was to promote competition.

Councilman Hanna asked if the City was playing by the same rules as Mr. Kuknyo. Mr. McDowell said yes. They had offered the County to come out and inspect the equipment. They were coming out in the morning.

Mr. Kuknyo said that the City of Prescott held a monopoly on residential trash. The City would not let him compete with residential trucks, but the City's residential trucks were going outside of the City of Prescott.

Ms. Hadley said that it was a true statement. By state statute, the City had the obligation to provide service to their residents for residential trash. Some cities choose to use private vendors, like Prescott Valley and Chino Valley. Prescott had almost always provided the service.

Mr. Kuknyo noted that those people were outside of the City limits. Ms. Hadley said that they had 22 residential accounts outside the City limits. They were City water or sewer customers that the City was already providing service to and the City was asked to also provide trash service.

Mr. Kuknyo said that when the City put advertisements out, it was not having people come to them and ask for service. Ms. Hadley said that fair was fair. Mr. Kuknyo said that it would be fair if the City opened up its market.

Councilman Hanna asked if it was true that Mr. Kuknyo could not solicit in the City, but the City could solicit outside. Ms. Hadley said that he could solicit to any one of the City's commercial accounts.

Councilman Hanna asked why the City of Prescott was soliciting Mr. Kuknyo's customers, outside of the City. Ms. Hadley said that for every account that the City lost, that was money lost from the transfer station. The City had a multimillion dollar investment in the transfer station. It was also done in an effort to protect the jobs of the employees.

Councilman Hanna said that when some of his kids lived outside of the City, Mr. Kuknyo's company picked up their garbage and did an excellent job. He felt that they needed to be on a level playing field.

Mr. Norwood said that the City did \$150,000 to \$200,000 in service that they did not bill anyone for. Councilman Hanna said that he realized that the City picked up Christmas trees and that Mr. Kuknyo should also do that to make it a level playing field.

Mr. Kuknyo said that they already offered the free Christmas tree pick up. When they had a whole area that used them, they had free pick up dump days. He said that if he had the entire City, they would provide those services.

He said that he had talked to Council people about franchising out the service which would give one company a lot of business and the City would make a lot of money, but, it would hurt the smaller guys. One of the reasons that the State law was passed was because there was a gentleman in Lake Havasu City that was put out of business because the City franchised with someone else and got a big kick back.

He respected Chad and was sorry that this had to come up. He said that it had destroyed a lot of relationships around town. He also noted that they were not bad guys and they would do what was needed to help out. He just wanted a level playing field. He said that the City should not pass a resolution when they were not in compliance with it.

Councilman Blair noted that ten years ago, when the City went out for Request for Proposals, there was not a company who could do the business that the City did. His problem was that the trash receptacles did not get cleaned out on a regular basis in the community. He said that when they wrote the programs up, they had to include all of the things that the City did. He did not think that there was a provider that could do everything the City did.

He would like to talk about some of the concerns and was opposed to the City going outside of the City for work. He said that they should not be in the private sector. He did not have a problem serving customers who were outside of the City if the City was also serving their water and sewer

needs. He said that if the City lost revenue then they should adjust for it within house.

Councilwoman Suttles told Councilman Blair that it was well and good to make the statement that the City lost revenue and needs to take care of it. She said that there was a municipality for a reason. She asked where it started if the City could not clean up around the Courthouse.

She said that she liked the balance and that she loved private. Councilman Blair said that they had to separate the municipal and the private.

Mr. Kuknyo said that he provided portable johns for the Halloween event. He worked with the Eagles to help with many events downtown. He worked the hotdog booth for the Boy Scouts on the 4th of July and then stayed and ran the street dance and ran trash and portable johns for them all night. If he got all of the commercial business, he would make sure that the bins stayed clean around the courthouse square.

Councilwoman Suttles said that if the City did not have the income to do that, it would get cut back.

Mr. Kuknyo said that his fear was that a giant garbage collector was behind this. He did not want to see that in his home town. Both owners of Patriot had been residents of Prescott since 1978. He did not want to see green containers all over Prescott.

Councilwoman Suttles said that there were other private haulers out there. Mr. Kyknyo said that was fine, he had worked well with them so far. He said that they all needed to play by the same rules.

The Resolution sent through the City talked about how the City could repossess cans. In the private sector, that would be war. It looked like things were going to go smoothly in the City until they went outside the City limits. That was against the Republican platform.

Councilwoman Suttles said that maybe the City Manager could get some numbers together of lost revenue. Mr. Norwood said that the item was on the agenda as a public comment. He said that they would bring it back to Council the first meeting in December.

Ms. Hadley said that she had a meeting set up with Jay Ebey.

E. Milt Cannon re Jazz Appreciation Month and related activities.

Mr. Cannon, President of Prescott Jazz Society, said that they had served the Prescott area since 1993. He wanted the Council to declare April, Jazz Appreciation Month, as the Smithsonian Institute did in 2001. They would also like to announce the creation of Springfest and a Jazz Zone in the Cortez Courtyard. He said that they would like to have some direction as to how they could offer a request for proposal. He asked how they could have a reasonable chance of success.

He was hopeful that they could use the City of Prescott and the Elk's Theater for a two day event. Mayor Kuykendall said that there was conversation about a Jazz District and that he should come by again in the next 30 days.

F. Daniel Mattson re camping in City Limits (Chapter 5-9 of the City Code).

Mr. Mattson said that on July 14, 1998, Ordinance 3778 was passed. It modified Chapter 5 of the City Code involving camping. Under definitions 5-9-1 it referred to laying down bedding material. It said that someone could be charged with violating the camping ordinance if they laid down a blanket in a City park. He had seen it happen. He did not think that was the intent of the law. A well written law should allow any reasonable person to understand when they were in compliance or when they were violating it. He was not suggesting that laying down bedding should be a permissible act. He felt that it should be permitted in a park during regular hours.

In Section 2 – Camping on Municipal Property, it said that in order to be able to do the things under definitions they had to have signage allowing camping. He said that the sign would then allow erecting a tent. He felt there needed to be some clarification in the ordinance so that a reasonable person could lay out a blanket, read a book and not worry about a \$170 ticket.

He would like to see the ordinance refined, not slaughtered. In the interest of making the town a bit more friendly or avoiding problems, he said that something should be done to refine the ordinance.

Mayor Kuykendall asked the City Manager if that was something that Mr. Brehm and the Vista volunteers would want to discuss. Mr. Norwood said that he believed they had already had some discussion with Mr. Mattson. The ordinance was written very vaguely and generically. It gave the officers some discretion to make a judgment. If it looked like a person had bedding and a mattress, they would make a judgment call that

it was more than a couple of hours in the park. He said that it was something they could evaluate.

Mr. Mattson said that on September 24, 2010 around 9:24 a.m. in the morning a person was given a ticket for carrying a pillow out there to lay down.

Councilman Hanna said that Lieutenant Morley could probably address that. He said that they were talking about officers who had discretion and used it well. Lieutenant Morley said that the woman had a lean-to and a couple of other items. In the spirit of the law, that ticket was dismissed.

Councilwoman Linn said that the Courthouse Square had different ordinances than the City did because it was County property.

Mr. Mattson said that the event he was talking about was in Granite Creek Park. He had heard a lot of cases where homeless people had laid down in the park and attempted to take a nap and had received tickets. He understood that the City might have a problem if they were climbing into a sleeping bag. He had seen a lot of people drinking in the park and nothing was done. He said that the City should aggressively prosecute those who created a problem.

Councilman Hanna said that he did not believe that any police officer in the City of Prescott was going to write a ticket to someone taking a nap. If they did, they should be reprimanded for it. The City had a problem with homeless people camping out all over. He noted that private citizens should be able to enjoy the park without being in fear of having someone laying there that had urinated or defecated on themselves. He asked if Mr. Mattson had called to report the people he saw drinking in the park.

Councilman Lamerson said that maybe they could discuss code rewrite with the Legal Department at a different time.

Councilwoman Linn wanted to make sure that it was correct that a person could not be charged for public defecation or urination unless it was seen.

II. PROCLAMATIONS

A. November 2, 2010 – *Honor and Remember Day*

Councilwoman Lopas read the proclamation and presented it to the Honor and Remember group.

Laura Sutton, Blue Star Mom, said that her son was active in the military. The founder, George Lutz, created the flag because his son was killed in

action in Iraq in 2005 and wanted something to have that all military families could have to remember their fallen soldier. Honor and Remember was trying to create a personalized flag for every fallen soldier in America. She asked everyone to go to honorandremember.org. They had a bill in the House for it to become a National flag, which had passed in 22 states. The flag would be flying with the national flag.

Paulette Martoni said that she was an American Gold Star Mother. Her son gave his life March 7, 2006 in Iraq. She said that the flag needed to be flown and recognized by every citizen. The flag would recognize that soldiers were lost in Vietnam and World War II.

Jasmine Crow, American Gold Star Mom, lost her son on January 28, 2007 in Iraq. The flag would remind the entire nation to honor all of the fallen soldiers.

Councilwoman Lopas thanked them and their families for keeping the country free.

III. PRESENTATIONS

A. Dennis Garvey of Yavapai College re Retirement Connection program

Mr. Garvey, Dean of Division of Lifelong Learning at Yavapai College, noted that it was mentioned earlier that CCN Money and the Today Show focused on Prescott as the number four place to retire. One of their criteria was late life learning. About 12.8% of the population in country was over 65. About 13.4% in Arizona was over 65 and 24% in Yavapai College were over 65 years.

He said that the community had the potential to be a laboratory for programs and services for older adults. It could be a true senior-friendly community. Each year the Yavapai College Board did strategic planning and came up with contracts with the community about what they needed to focus on. Last year, Life Long Learning adults had affordable access to a variety of high quality learning opportunities and instructional formats. They had over 3,000 adult students in the program last year. Those were noncredit students; in addition to 12,000 credit students that they served. The program was funded with membership revenue and a private foundation. They were one of six colleges in the country to receive two \$1 million endowments from OSHA. They introduced College for Kids last summer.

Retiree Connection was a new program developed by Dr. Horton when he saw the talent that was in the community. The purpose was to take the

intellectual capital and connect with opportunities in the community to make it a stronger and healthier place for everyone.

There was an electronic skills bank of 114 people. The college partnered with American Association of Retired Persons (AARP) and a new Back to Work Program with 31 placements. Five people had moved beyond subsidized work into full time work.

The college offered a certificate in Gerontology. They studied how societies, individuals and institutions dealt with an aging population. They offered 6 courses that were all credit courses and 23 students had graduated from the program. They also had a TV program on Channel 13 called Senior Moments-Successful Aging which won the Outstanding Community Service Award.

B. Annual Report from the Yavapai Humane Society

Mr. Boks, Executive Director of the Yavapai Humane Society, said that he had been working for the society for about four months. They had expanded their Board and he had two members with him. He then gave a PowerPoint presentation that covered:

- ▶ MISSION
- ▶ VISION STATEMENT
- ▶ VALUES
- ▶ FOUR QUALITY OF LIFE SERVICES TO OUR COMMUNITY
- ▶ LIMITED ACCESS POLICY
- ▶ F.E.L.I.X.
- ▶ THE BIG FIX
- ▶ S.T.A.R Special Treatment and Recovery
- ▶ SENIORS FOR SENIORS
- ▶ VIDEOS
- ▶ THE NUMBERS
- ▶ EUTHANASIA

- ▶ EUTHANASIA – 1/1/09 to 6/30/09 & 10
- ▶ EUTHANASIA DECREASE APPLYING THE NO-KILL ETHIC
- ▶ EUTHANASIA RATES OVER THE PAST 8 MONTHS

Councilwoman Suttles asked if the Humane Society was a non-profit business. Mr. Boks said that it was. Councilwoman Suttles asked how many paid employees he had. Mr. Boks replied 35. Councilwoman Suttles asked how long the contract with the City ran. Mr. Boks said that it was renewed every year. Councilwoman Suttles asked how much the City paid him. Mr. Boks said that it was around \$48,000. Mr. Norwood said that it was \$50,000.

Councilwoman Suttles asked if the City still had animal control officers. Mr. Boks said yes. Councilwoman Suttles asked if he still worked out of a City building. Mr. Boks said yes.

Councilman Lamerson noted that it was a credit to his team to stop killing animals that people did not want.

Mr. Bok said that he had an extraordinary team of staff and volunteers.

Councilwoman Linn said that she liked what he was doing and thanked him for his work.

Mr. Bok said that they were in the process of working with Botec on a software program for shelter management.

C. Annual Report from the Frontier Days – World's Oldest Rodeo

Carlo Pastore presented the annual report for the rodeo. He said that they had a profitable year in economically challenging times. The report covered:

- ▶ 123rd Annual EVENT
- ▶ TICKET SALES
- ▶ TICKET SALES BREAKDOWN
- ▶ SUPPORT & INVESTMENT
- ▶ RODEO ATTENDANCE BY PERFORMANCE
- ▶ YEAR ROUND ECONOMIC ENGINE

- ▶ INTERNATIONAL REPRESENTATION
- ▶ COWBOY CAPITAL OF THE AMERICAN WEST
- ▶ 124th ANNUAL WORLD'S OLDEST RODEO

Councilwoman Linn said that she was happily surprised that they did not reduce their advertising. Mr. Pastore said that they would go on line in December with their e-blasts to start selling tickets.

Councilman Lamerson asked the City Manager if the City owned the rodeo grounds. Mr. Norwood replied that they did. He asked if the rodeo was an association that was separate from the City.

Mr. Pastore said he was president of Prescott Frontier Days, Inc. that owned, hosted and conducted the rodeo. The lease with the City was with Prescott Frontier Days, Inc.

Mayor Kuykendall asked him about the page of things that needed to be fixed. Mr. Pastore said that it was initially developed by them and then in conjunction with Mr. Fenech. They had chipped away at some of them, but many were waiting to be done.

Mayor Kuykendall asked about the announcer stand. Mr. Pastore said that the plan was that the announcer would maintain control of the crowd and oversee the evacuation process.

Councilwoman Suttles said that she thought that the Council people had a misunderstanding of who was on the Board. She always thought that it was the Foundation that funded the rodeo.

Mr. Pastore said that Prescott Frontier Days, Inc. was a 501c4. The Foundation had more leverage for fundraising. Their charter was to do fundraising for the benefit of the community and support the rodeo.

D. Board / Commission Liaison reports

Councilwoman Linn noted that Pat Forrest was going to retire from Prescott Downtown Partnership and Kendall Jaspers was going to take over as the Executive Director. He had been working alongside Pat for many years.

Access 13 was a nonprofit and they funded much of their equipment. She noted time spent in the studio and editing bay. The City of Prescott web video averaged 16 hits per hour.

The City of Prescott Public Service Announcements were 246 hours of the programming last month. They were going to do a 24 hour “friend raiser” to raise money for the station in the spring.

Councilman Lamerson noted that Salt River Project (SRP) attended the last Water Issues meeting. He said that he interpreted their involvement as warm and willing to work with the City of Prescott and not adversarial. Mr. Kornrumpf had some good suggestions and noted that SRP was not the only one that the City needed to take into consideration involving down river water rights and surface water.

He noted that there had been three arduous meetings for the proposed alarm ordinance. He said that the Council would be presented with two different concepts to look at in the near future; one short and sweet and the other lengthy.

Regarding code rewrites, they cancelled the meeting for the next day, but there may be some more things to be looked at.

Councilman Hanna said that they had some excellent meetings concerning a contract rewrite. They were going to go to Mr. Kidd and Mr. Norwood with some recommendations in the next week. He, Councilwoman Lopas and Councilman Blair got people involved from the public who were a wealth of knowledge concerning contractor contracts. There were attorneys, contractors, and architects, past and present who were involved.

Councilwoman Suttles said that she attended the Yavapai Regional Medical Center meeting. She served on the Board of Trustees for their Council of Electors. Kathy Peterson, Richard Rosa and Councilwoman Suttles were re-elected.

She would be going to Primavera on Thursday because the Upper Verde River Watershed Protection Coalition had a WaterSmart award to give to the kindergarten through fifth grade students.

She also went to Payson for the Northern Arizona Municipal Water Users meeting. They showed a presentation of a statewide Water Resource Development Commission that created House Bill 2661. The Governor asked the group to compile projected water needs in each Arizona County for the next 20-50 years. That information was now on the web.

Councilman Blair said that the Board of Adjustment recently had their first meeting in three months which was about a variance on a guesthouse at Gurley Street and Granite Street which was agreed to unanimously.

He also thanked Councilman Hanna for chairing the contract meetings which were very fruitful.

Councilman Lamerson said that the Chamber of Commerce and the Yavapai County Contractors Association both agreed to help them through some of the code changes and he appreciated their assistance.

IV. DISCUSSION ITEM

A. Proposed water and wastewater rates and rate setting process.

Mr. McConnell made a presentation concerning the water rates and noted that most of the information was on the website. The items discussed were:

- ▶ CITY UTILITIES OPERATIONS – COST AND FUNDING.
- ▶ CAPITAL IMPROVEMENT PLAN (CIP)
- ▶ WATER RATE STRUCTURE AND CURRENT RATES
- ▶ WASTEWATER RATE STRUCTURE AND CURRENT RATES
- ▶ PROPOSED WATER BASE CHARGE

Councilwoman Linn asked who the large water users were. Mr. McConnell answered that they were public agencies; Prescott Unified School District, the Veterans Administration Hospital, Yavapai Regional Medical Center and the City of Prescott.

He noted that if water rates were raised again for the large water users, their operating budgets would go up and they could only pay for it through taxes.

Councilwoman Linn asked about the golf courses and hotels. Mr. McConnell said that golf courses were relatively large water users, but they were on effluent contracts. That would be a separate rate which was not addressed in that rate process.

Mr. Blair asked if the big water users were metered differently. Mr. McConnell said that he would like to defer the question until later in the presentation. The number of meters that the large users required profoundly impacted what they were paying for water. Many of them were looking at how many meters they had, and the sizes, to see if they could

get some relief in the City's rate structure. If they replaced smaller meters with a larger one, it would be favorable.

▶ PROPOSED WATER CONSUMPTION CHARGE PRESENTED AT PUBLIC MEETING

▶ PROPOSED WASTEWATER CHARGES PRESENTED AT PUBLIC MEETING

▶ SAMPLE UTILITIES BILL CALCULATIONS PRESENTED AT PUBLIC MEETING

▶ PUBLICITY FOR RATE SETTING PROCESS AND MEETINGS

▶ QUESTIONS FROM LARGE WATER USERS

▶ COMMENTS FROM LARGE WATER USERS

Councilman Blair said that he would suspect that a place like the Veterans Administration Center would be amazed to see the difference in numbers between water usage for irrigation and actual usage. Mr. McConnell said that they were. He said that he was asked if they could use irrigation meters. He said that they were permitted for non residential uses.

▶ PUBLIC INFORMATIONAL MEETINGS AND OTHER WRITTEN COMMENTS

Councilwoman Linn reiterated that the City was making a plan and creating a payment plan for it. Mr. McConnell said that she was correct, although some people would not take it that way. He said that it was not an alarmist scenario being presented. It was a fact of life that the municipality was regulated by state and federal law. It was accurate to say that during the storms last year things happened that ADEQ did not like.

▶ ALTERNATE SCENARIO

▶ WATER BASE CHARGE – ALTERNATE SCENARIO

▶ SAMPLE UTILITIES BILL CALCULATIONS

Councilman Lamerson asked how many gallons of water were in an acre foot. Mr. McConnell said 325,000 and some change.

Councilman Lamerson said that they may be in the situation they were in now because they had been deferring certain things. He thought that they had to put things into perspective as to what they were actually paying for.

Mr. McConnell said that water was undervalued in this day and age. He saw that in some of the Public, Private Partnership Presentations where there were a lot of global players who would love to come into the United States, buy up all of the water companies and control the water business.

That did not mean that the City of Prescott should raise its rates up to some kind of national or international cost, but they should feel fortunate that they could still get water for the rates they do.

▶ COMPARISON WITH OTHER MUNICIPALITIES

▶ RECAP OF KEY POINTS

Councilman Lamerson noted that if the City did not do some of those things, the community would be put in harms way.

Mayor Kuykendall said that he wished they had started a rate increase four years ago and they would not have been in this position. If the next year or two was a critical point in getting a lot of work done for a reasonable amount of money, it was to the City's advantage to move forward if they were ready to go. If there was inflation in the future, it would cost more the longer they waited. He did not think they had a choice but to move as rapidly as they could and get the jobs underway while bids were low. This was a commodity that they had to have. If they were going to consume it, they needed a place to take the waste water. He felt that they had waited long enough.

Councilman Blair, Hann and Lamerson supported Option 1, as did Councilwoman Linn and Lopas.

Mr. McConnell said that there would be an item on the agenda the next week for the notice of intention. They could confirm that they would go with Option 1 at that time.

V. ADJOURNMENT

There being no further business to be discussed, the Prescott City Council Workshop of November 2, 2010 adjourned at 4:48 p.m.

MARLIN KUYKENDALL, Mayor

ATTEST:

ELIZABETH A. BURKE, City Clerk