

# PRESCOTT CITY COUNCIL REGULAR VOTING MEETING A G E N D A

**PRESCOTT CITY COUNCIL  
REGULAR VOTING MEETING  
TUESDAY, AUGUST 28, 2012  
3:00 P.M.**

**Council Chambers  
201 South Cortez Street  
Prescott, Arizona 86303  
(928) 777-1100**

The following Agenda will be considered by the Prescott City Council at its **Regular Voting Meeting** pursuant to the Prescott City Charter, Article II, Section 13. Notice of this meeting is given pursuant to Arizona Revised Statutes, Section 38-431.02.

- ◆ **CALL TO ORDER**
- ◆ **INTRODUCTIONS**
- ◆ **INVOCATION**      Reverend Julia McKenna Johnson, Each One Reach One
- ◆ **PLEDGE OF ALLEGIANCE:**      Councilman Blair
- ◆ **ROLL CALL:**  
  
Mayor Kuykendall  
Councilman Arnold                      Councilman Kuknyo  
Councilman Blair                        Councilman Lamerson  
Councilman Carlow                      Councilman Scamardo

◆ **SUMMARY OF CURRENT OR RECENT EVENTS**

**I. CONSENT AGENDA**

**CONSENT ITEM I-A LISTED BELOW MAY BE ENACTED BY ONE MOTION. ANY ITEM MAY BE REMOVED AND DISCUSSED IF A COUNCILMEMBER SO REQUESTS.**

**RECOMMENDED ACTION: MOVE to approve Consent Agenda Item I-A**

- A. Approval of the minutes of the Prescott City Council Special Meeting of July 13, 2012.

## II. REGULAR AGENDA

- A. Public Hearing and consideration of liquor license application submitted by Kevin Arnold Kramber, applicant for Arizona Hotel Partners, LLC, for a Series 11, Hotel/Motel license for Wyndham Garden Hotel, located at 4499 Highway 69.

**RECOMMENDED ACTION:** (1) *MOVE to close the Public Hearing; and* (2) *MOVE to approve/deny a liquor license application submitted by Kevin Arnold Kramber, for a Series 11, Hotel/Motel license for Wyndham Garden Hotel, located at 4499 Highway 69.*

- B. Public Hearing and consideration of liquor license application submitted by Gregory John Swigut, applicant for Ariva, LLC, for a Series 12, Restaurant license for Papa's Italian Restaurant, located at 129 ½ North Cortez Street.

**RECOMMENDED ACTION:** (1) *MOVE to close the Public Hearing; and* (2) *MOVE to approve/deny a liquor license application submitted by Gregory John Swigut, applicant for Ariva, LLC, for a Series 12, Restaurant license for Papa's Italian Restaurant, located at 129 ½ North Cortez Street.*

- C. Approval of Fiscal Year 2013 Transient Occupancy (Bed Tax) allocations.

**RECOMMENDED ACTION:**

**If the attached list of allocations is approved as submitted:**

*MOVE to approve the Transient Occupancy Tax allocations for FY 2013.*

**If the attached list of allocations is revised by Council:**

*MOVE to approve the Transient Occupancy Tax allocations for FY 2013, as amended.*

- D. Disposal of surplus vehicles and equipment for FY13.

**RECOMMENDED ACTION:** *MOVE to approve the disposal of surplus vehicles and equipment for FY13 by auction.*

- E. Approval to proceed with acquisition of easements upon Arizona State Trust lands for the Prescott Circle Trail.

**RECOMMENDED ACTION: MOVE to approve acquisition of easements upon Arizona State Trust lands for the Prescott Circle Trail; and authorize the Mayor and staff to take all necessary actions to effect the same.**

- F. Approval of contract with PSC Environmental Services, LLC, for Household Hazardous Waste Day on September 29, 2012.

**RECOMMENDED ACTION: MOVE to approve a contract with PSC Environmental Services, LLC, to provide professional processing, removing and disposal of household hazardous waste at the unit prices of the City of Mesa through the SAVE cooperative for the City of Prescott event on September 29, 2012.**

- G. Ratification of purchase of hot mix asphaltic-cement concrete from Asphalt Paving and Supply, Inc., in the amount of \$34,721.98.

**RECOMMENDED ACTION: MOVE to ratify the purchase of hot mix asphaltic-cement concrete for the Bradshaw Drive project from Asphalt Paving, Inc., in the amount of \$34,721.98.**

- H. Antelope Hills Golf Course strategic and operational direction.

**RECOMMENDED ACTION: No formal action; Council discussion and direction only regarding the overall vision for Antelope Hills, desired outcomes, goals, and activities forward. Items for action with recommendations may be brought back at future Council voting meetings.**

### III. ADJOURNMENT

CERTIFICATION OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Prescott City Hall on \_\_\_\_\_ at \_\_\_\_\_ m. in accordance with the statement filed by the Prescott City Council with the City Clerk.

\_\_\_\_\_  
Lynn Mulhall, MMC, City Clerk

II-A

**COUNCIL AGENDA MEMO – August 28, 2012**

**DEPARTMENT:** City Clerk

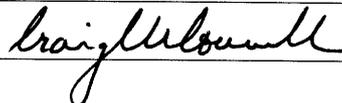
**AGENDA ITEM:** Public Hearing and consideration of a liquor license application from Kevin Arnold Kramber, applicant for Arizona Hotel Partners, LLC, for a Series 11, Hotel/Motel license for Wyndham Garden Hotel located at 4499 Highway 69

**Approved By:**

**Date:**

**Department Head:** Lynn Mulhall

**City Manager:** Craig McConnell



8-21-12

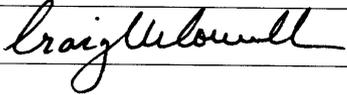
A Liquor License Application, City No. 13-205, State No.11133030, has been received from Kevin Arnold Kramber, applicant for Arizona Hotel Partners, LLC, for a Series 11 Hotel/Motel license, for **Wyndham Garden Hotel** located at 4499 Highway 69.

The public hearing will be held at the Regular Council Meeting of Tuesday, August 28, 2012. The applicant has been requested to attend the Regular Meeting to answer any questions Council may have.

A copy of the application is available for review in the City Clerk's Office.

**Recommended Action:** (1) **MOVE** to close the Public Hearing; and (2) **MOVE** to approve/deny Liquor License Application No.11133030, for a Series 11, Hotel/Motel license, for Wyndham Garden Hotel located at 4499 Highway 69.

<b>COUNCIL AGENDA MEMO – August 28, 2012</b>	
<b>DEPARTMENT:</b>	City Clerk
<b>AGENDA ITEM:</b>	Public Hearing and consideration of a liquor license application from Gregory John Swigut, applicant for Ariva, L.L.C., for a Series 12, license for Papa's Italian Restaurant located at 129 ½ North Cortez Street

<b>Approved By:</b>		<b>Date:</b>
<b>Department Head:</b>	Lynn Mulhall	
<b>City Manager:</b>	Craig McConnell 	8-21-12

A Liquor License Application, City No. 13-204, State No.12133536, has been received from Gregory John Swigut, applicant for Ariva, L.L.C., for a Series 12, Restaurant license, for **Papa's Italian Restaurant** located at 129 ½ North Cortez Street.

The public hearing will be held at the Regular Council Meeting of Tuesday, August 28, 2012. The applicant has been requested to attend the Regular Meeting to answer any questions Council may have.

A copy of the application is available for review in the City Clerk's Office.

<p><b>Recommended Action:</b> (1) <b>MOVE</b> to close the Public Hearing; and (2) <b>MOVE</b> to approve/deny Liquor License Application No.12133536, for a Series 12, Restaurant, license, for Papa's Italian Restaurant located at 129 ½ North Cortez Street.</p>
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<b>COUNCIL AGENDA MEMO – August 28, 2012 (Item tabled 8/14/12)</b>
<b>DEPARTMENT:</b> Office of Tourism
<b>AGENDA ITEM:</b> Approval of Fiscal Year 2013 Transient Occupancy (Bed Tax) allocations

<b>Approved By:</b>	<b>Date:</b>
<b>Department Head:</b> Don Prince	
<b>Finance Director:</b> Mark Woodfill	
<b>City Manager:</b> Craig McConnell 	8-21-12

## BACKGROUND

The City of Prescott annually budgets and allocates Transient Occupancy Tax ("Bed Tax") funds which are generated by lodging establishments. Prior to 2008 the amount collected was 2% of room revenue. Upon voter approval in 2008 the levy was increased to 3%, with funding specified for "tourism promotion" and "recreation development" purposes.

In the past the Bed Tax budget was prepared primarily by City staff. In July 2010 the City created the new position of Tourism Director, and in January 2011 the Tourism Advisory Committee (TAC) was formed. The TAC is comprised of representatives from key tourism stakeholders including:

- Prescott Area Lodging Association
- The Prescott Chamber of Commerce
- The Prescott Downtown Partnership
- The Prescott Area Independents (representing restaurants and bars)
- The Prescott Arts & Humanities Council
- A representative of Prescott area museums
- A representative of the City Parks and Recreation Department
- A representative of Prescott Frontier Days (Rodeo)

The Fiscal Year 2013 Budget represents the second year that Tourism Advisory Committee and City representatives have jointly addressed the Bed Tax budget through various meetings extending from March 2012 to date. The Committee meets monthly and provides input and recommendations to the Tourism Director on a variety of tourism related matters. In addition, the Tourism Advisory Committee reviews and provides recommendations regarding event funding proposals received by the Office of Tourism.

In an effort to provide a more consistent message to event producers seeking City sponsorship, a funding request application and review process was established in 2011. This process includes evaluation criteria to guide the applicant and review committee, with the objective of directing Bed Tax funding toward events which promote a positive image of Prescott, increasing overnight visits and associated tourism related revenue.

**Agenda Item:** Approval of Fiscal year 2013 Transient Occupancy (Bed Tax) allocations

This year, requests from sixteen (16) organizations were reviewed, and ongoing support was also recommended for the Whiskey Off-Road and Prescott Frontier Days. As part of their review, the TAC sought to balance funding opportunities for start-up and community-oriented events with those that were well-proven tourism drivers. It should be noted that in the past, the City's Fourth of July Celebration at Pioneer Park was funded in part from Bed Tax, but in FY 13 this event is to be supported with General Fund resources.

**PROPOSED ALLOCATIONS**

The attached "FY 13 Proposed Bed Tax Allocations" table is a hybrid list developed by City staff and the TAC, which addresses specific requests and affords both traditional uses of Bed Tax funds (tourism promotion, support for a variety of non-profit organizations, athletic tournaments promotion and City parks), as well as providing partial support for other City facilities and activities which have a tourism connection, (e.g., the Parking Garage).

As the approving authority, it is the Council's prerogative to make any revisions to the list deemed appropriate. Council approval will confirm allocations to the various events, organizations, and other uses, as applicable, enabling notifications and disbursements of funding to be made.

**BUDGET**

The FY 13 Transient Occupancy Tax budget of \$631,905.00, including an opening cash balance of \$72,721.00, was adopted in June 2012, with the overall City budget, as a total (bottom line) figure subject to Council approval of the individual allocations (this Council item).

**Attachment** – FY13 Proposed Bed Tax Allocations

**Recommended Action:**

If the attached list of allocations is approved as submitted:

**MOVE** to approve the Transient Occupancy Tax allocations for FY 2013.

If the attached list of allocations is revised by Council:

**MOVE** to approve the Transient Occupancy Tax allocations for FY 2013, as amended.

### FY 13 Proposed Bed Tax Allocations

	FY 12 Budget	Proposed FY 13 Budget Allocations
<b>Projected Beginning Cash Balance, 7/1</b>	\$ 128,844	\$ 72,721
<b>Funding Sources</b>		
Transient Occupancy Tax & Interest	\$ 528,124	\$ 559,184
<b>Subtotal</b>	<b>\$ 656,968</b>	<b>\$ 631,905</b>
<b>Expenditures/Transfers</b>		
<b>Events</b>		
Signature Events		
Whiskey Off Road (per contract)	25,000	27,500
6th Annual Prescott Pow Wow	2,100	3,700
Prescott Film Festival	5,500	3,600
Jazz Summit	5,800	2,900
Outdoor Recreation Festival	-	3,200
Signature Event Sub Total	\$ 38,400	\$ 40,900
Other Events		
Historic Prescott All Corvette Show	2,200	2,400
32nd Annual Bluegrass Festival	-	1,400
Mile High Brew Fest	-	600
Navajo Rug & Indian Arts Festival	-	2,600
Dancing through Decades @ EOH	-	700
New Year's Eve Boot Drop	-	1,400
Phippen Museum Western Art	-	1,600
Watson Lake Car Show	-	1,400
9th Annual Prescott Highland Games	-	2,100
YMCA Whiskey Row Marathon	-	2,500
Skull Valley Loop Challenge	-	700
Wildlights-Heritage Park Zoological	-	1,300
High Country Rod Run	1,180	-
Event Funding Contingency	18,220	10,400
Other Events, Sub Total	\$ 21,600	\$ 29,100
<b>Total, all events</b>	<b>\$ 60,000</b>	<b>\$ 70,000</b>
Centennial/Best Fest Celebration	\$ 35,000	\$ -
Rodeo/PFD	\$ 20,000	20,000
Courthouse Lighting	\$ 30,000	30,000
Sharlot Hall Museum	\$ 25,000	25,000
PAAHC - Support for the Arts	\$ 25,000	30,000
PDP Contract	\$ -	20,000
Athletic Tournaments Promotion	\$ 30,000	30,000
Contingency	\$ 19,798	64,405
<b>Total, Events and other support</b>	<b>\$ 244,798</b>	<b>\$ 289,405</b>
<b>Marketing &amp; Promotion</b>	<b>234,000</b>	<b>250,000</b>
<b>Recreation Tourism Amenities</b>	<b>30,000</b>	<b>30,000</b>
<b>Transfer out to Parking Garage</b>	<b>18,000</b>	<b>20,000</b>
<b>Special Events Overtime</b>	<b>20,000</b>	<b>20,000</b>
<b>Prescott Creeks Match</b>	<b>12,500</b>	<b>12,500</b>
<b>Open Space Management</b>	<b>10,000</b>	<b>10,000</b>
<b>Rodeo Grounds Master Plan</b>	<b>22,000</b>	-
<b>4th of July Celebration</b>	<b>60,000</b>	<b>General Fund</b>
<b>Total Expenditures/Transfers</b>	<b>\$ 651,298</b>	<b>\$ 631,905</b>
<b>Ending Cash Balance, 6/30</b>	<b>\$ 5,670</b>	<b>\$ -</b>



## MEMORANDUM

**To:** Mayor & Council, Craig McConnell, Alison Zelms  
**From:** Don Prince  
**Date:** August 21, 2012  
**Re:** Supplemental Information, Approval of FY 2013 Bed Tax Allocations

The original Council Memo only listed the organizations represented on the Tourism Advisory Committee (TAC). Here is the complete list including their names, company affiliations and the organizations that they represent.

**Prescott Area Lodging Association (PALA)**

Amorè Ciancola, Director of Catering, Hassayampa Inn and President of PALA  
David Stringer, Owner, Comfort Inn Hotel, Board Member and Past President of PALA

**Prescott Downtown Partnership (PDP)**

Cliff Petrovsky, Owner, Bashford Courts and Board Member and Past President of PDP

**Prescott Chamber of Commerce**

Steve Bracety, General Manager, Prescott Resort representing the Prescott Chamber of Commerce

**Prescott Area Independents (PAI)**

Roxane Nielsen, Owner, Prescott Brewing Company and Board Member, PAI

**Prescott Area Arts & Humanities Council (PAAHC)**

Cindy Gresser, Executive Director of the Smoki Museum and Executive Director of PAAHC

**Arizona Lodging & Tourism Association (AzTLA)**

Margo Christensen, V.P. Marketing, Ponderosa Hotel Management and Board Member, AzTLA

**Museums**

Dr. John Langellier, Executive Director, The Sharlot Hall Museum

**Western Heritage & Culture**

J.C. Trujillo, General Manager, Prescott Frontier Days and "World's Oldest Rodeo"

**Outdoor Recreation**

Joe Baynes, Director, Prescott Parks & Recreation

### **Special Event Grant Applications**

The Tourism Advisory Committee reviewed the 16 applications that we received for Special Event Grant funding. Copies of the grant application and the policy are attached. Please note that applicants are specifically asked about their marketing plans and the estimated economic impact of their event.

### **Prescott Downtown Partnership contract for FY 2013**

The City of Prescott contracts with the Prescott Downtown Partnership, a non-profit organization, to manage events on Courthouse Plaza, ensure the continued viability of the greater downtown Prescott area, and to participate in the Arizona and National Main Street Programs. The PDP is partially funded with 60% of the vendor fees collected by the City for events held on Courthouse Plaza. The contract for fiscal 2012-2013 is under review by Finance and Legal, and will be brought to the Council for approval once staff review is complete.

### **Economic Impact of Visitors to Yavapai County**

The Arizona Office of Tourism, working with Dean Runyan Associates, provides us with a report on the economic impact of visitors to Yavapai County. My office is currently working with Dean Runyan & Associates to determine the cost and viability of getting this information specifically for the City of Prescott. Visitor impacts from 2002 through 2011 for Yavapai County are attached.



CITY OF PRESCOTT  
201 S. Cortez St.  
Prescott, AZ 86303  
928-777-1100  
[www.visit-prescott.com](http://www.visit-prescott.com)

## **“Signature & Other Events Sponsorship Program”**

### **POLICIES, PROCEDURES and CRITERIA**

The City of Prescott’s (“City”) annual Transient Occupancy Tax (Bed Tax) budget may include a line item for Signature Event Sponsorships subject to the availability of funds and with the approval of the City Manager and City Council. The primary objective of the City’s Signature Event Sponsorship budget line item is to develop a partnership between the City and events that promote tourism activities utilizing public accommodations and resulting in significantly increased hotel occupancy, sales and restaurant & bar taxes within the Prescott area.

Events may be cultural, ethnic, historic, educational or recreational, or a combination thereof. Events should have strong appeal to visitors and allow the City’s Tourism Office the opportunity to advertise and promote our destination through the event. The resulting economic impact of these events is intended to contribute to the city’s tax base while supporting our mission to enhance economic vitality and quality of life for Prescott residents through sustainable tourism promotion and development of local attractions, facilities and activities.

The Prescott Office of Tourism may provide marketing assistance to events selected under this policy. Marketing assistance may be in the form of paid advertising, inclusion in the City’s calendar of events, media relations or other types of marketing deemed appropriate by the City’s Tourism Office. Event organizers must have their own marketing plan and budget and not rely solely upon the City to market their event.

#### **The Signature Event Grant Application Process:**

The City works on a fiscal year budget which begins July 1 and ends the following June 30 of each year. Applications must be received by the City no later than June 29, 2012 for consideration in fiscal year 2013.

- The City will designate a line item amount within the budget to be used for Signature Event Sponsorships.
- All Signature Event grant applications are reviewed by the Tourism Advisory Committee (TAC).
- The Tourism Advisory Committee will submit their recommendations to staff and the City Manager’s Office for final approval.

- These recommendations will include the amount of allocation, how allocation is to be distributed and any other specifics related to your event.
- The TAC and/or City staff at its sole discretion may, without cause or reason being stated, decline to support any application and may elect to support others. The TAC, City staff and/or the City Council may discontinue or modify all or a portion of this policy at any time.
- Any expenditures of \$10,000 or more must be approved by the City Council.

**CRITERIA:**

Applications for marketing assistance through the Signature Events Sponsorship Program shall require the following documentation:

- Documents that demonstrate actual number of room nights generated by out of town visitors whose primary visit was to attend the event proposed.
- Demonstrate how this event will compliment and supplement the positive image of Prescott through destination marketing efforts.
- Adequate reporting of the return on investment by providing documented economic impact (direct expenditures) within 45 days after conclusion of the event.
- Special consideration will be given to events that attract out of town visitors during off season and mid-week.

**RESTRICTIONS**

- Applications must be received prior to the completion of the budget process for the incoming fiscal year (no later than June 29, 2012). Applications submitted after this date may be returned to the event producer/coordinator and must be resubmitted for consideration with proper documentation prior to the following year's budget process.
- Applications must be submitted electronically by fax or mail no later than 5pm on the due date.
- An organization that has received City support but has not submitted the required post event documentation within 45 days of completion of the event will not be eligible for future support.
- Applicants may request specific types of marketing assistance. If the marketing assistance is in the form of paid advertising, the City will confirm the business arrangement. The event organizer shall have the sole responsibility for providing the print ready artwork supporting the event. All artwork is subject to the approval of the City.
- Any changes in dates, operating time, and/or nature of the event once funding is approved must be approved by the City and the Tourism Advisory Committee.
- Individual TAC members and staff of the City are ineligible to submit requests for funding.

## **REQUIREMENTS:**

In order for an event to qualify for the City's Signature Event Sponsorship assistance, applicants must meet the following requirements:

- Demonstrate an understanding that these funds are derived from Bed Tax collections which are generated from overnight visitors staying in hotels and other accommodations within the City limits.
- Complete written proposals with the signed copy of the Signature Event Sponsorship Application & submit to the City's Office of Tourism no later than June 29th for consideration of an event that takes place between July 1 of 2012 and June 30 2013. Applications will be reviewed by the Tourism Advisory Committee (TAC).
- Successful applicants shall hold the City harmless from all claims and/or liability arising out of the activities of the applicant, its agents, and employees which engage in the performance of this event. A Hold Harmless Agreement must be submitted on producer's personal letterhead to the City with the Special Event Sponsorship Application.
- Successful applicants must agree to maintain, in full force and effect at all times during the term of their agreement with the City, insurance acceptable to the City. Proof of this must be provided to the City at the time the insurance certificate is submitted to the City.
- Sponsored events shall acknowledge the contribution by the City on all promotional literature by prominently stating "This event is sponsored by the City of Prescott" and use the official logos provided by the City.
- All applications must be submitted on the application form provided by the City. Applications must be submitted electronically (fax or email) by 5pm on the due date.  
Fax applications to: 928-771-5870 attn: Don Prince  
E-mail applications as a word or pdf document to: [don.prince@prescott-az.gov](mailto:don.prince@prescott-az.gov)
- Applicants will receive a written response outlining the disposition of their application, typically by July 31<sup>st</sup> of the fiscal year for which assistance has been applied.
- Applications received after the due date will not be considered.



OFFICE OF TOURISM  
 Event Sponsorship Application FY2013  
 Prescott Office of Tourism – 201 S. Cortez St., Prescott, AZ 86303  
 (928) 777-1100 Fax (928)-771-5870

<b>Date:</b>	<b>Internal Use Only Date Received:</b>
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The Tourism Advisory Committee and the Prescott Office of Tourism’s roles are to review requests and provide support and sponsorships to diverse “Signature” and/or special events that benefit the community and promote Prescott.

The Committee will be looking for events which contribute to Prescott in one or more of the following ways:

1. Enhance community pride and positive image;
2. Generate a positive economic impact;
3. Generate positive media exposure and visibility; and/or
4. Demonstrate support for local charitable organizations.

**All information must be submitted on this application form only. Supplemental information will not be accepted. Applications due by JUNE 29th, 2012 at 5:00 p.m. to the Prescott Office of Tourism. Applications are accepted by fax or email only. See final page for details.**

**Please be advised that all events, whether recipients of sponsorship funding or not, must submit a special event application and complete the special event process. Events granted funding have no priority over non-funded events on the calendar. NOTICE: Recipients will NOT receive additional financial considerations and/or services from the City of Prescott or its designees in excess of the amount of the sponsorship award.**

**SECTION 1 – APPLICANT INFORMATION**

Name of Event		Proposed Date
Location of Event	Organization	Event Contact
Phone Number	Fax Number	Email Address
Address		City, State ZIP
Website		

Have you ever coordinated/promoted another event/s? <input type="checkbox"/> Yes <input type="checkbox"/> No			
Last Event	Location	Date	Contact Name/Phone
<b>If applicable:</b>			
State of Incorporation	Tax ID#	501(c) #	City Sales Tax #
<b>SECTION 2 – EVENT INFORMATION</b>			
Brief Description of Event			
Target Audience/Demographics			
Has this event been held in another location? <input type="checkbox"/> Yes <input type="checkbox"/> No If <i>yes</i> , please provide the following:			
Last Event/s	Location/s	Date/s	Contact Name/Phone
Will there be an admission charge? <input type="checkbox"/> Yes <input type="checkbox"/> No. If yes, please list all price categories below.			
Will merchandise be sold? <input type="checkbox"/> Yes <input type="checkbox"/> No			
Will food be sold? <input type="checkbox"/> Yes <input type="checkbox"/> No			

Will there be alcohol at the event?  Yes  No

**SECTION 3 – COMMUNITY PRIDE AND POSITIVE IMAGE**

Please describe how this event demonstrates a diverse and cultural impact on the community.

What is the educational emphasis of this event?

Does this event apply “green” (sustainability) principles? If so, how?

Please describe how this event promotes community involvement.

Please describe the event’s overall contribution to enhancing positive image.

**SECTION 4 – ECONOMIC IMPACT**

Will this event increase the number of hotel rooms used in Prescott?  Yes  No

If yes, please list the estimated number of Prescott hotel rooms that will be used for this event.

If applicable, please list the host hotel.

Number of Event Participants	Number of Event Attendees
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Please list the percentage of local versus out of state participants/attendees.

Please describe the economic impact of this event for Prescott.

**SECTION 5 – MARKETING**

Public Relation Agency or Marketing Partner? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, please list below.	Media Partner? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, please list below.
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Newspaper Ads <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, please list below.	Magazine Ads <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, please list below.
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Fliers/Posters <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, how many?  Please describe how/where they will be distributed.	Press Releases <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, how many?  Please list who the press releases will be sent to and how often they will be sent.
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Please provide any additional information regarding the marketing plan that is not listed above.

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Please summarize the proposed public relations activities.

Describe the involvement of community partners who will assist in cross promotion of the event.

Please explain the geographical reach of event promotions to include local, regional, national and international audiences.

Please list event sponsors.

**SECTION 6 – CHARITABLE COMMUNITY CONTRIBUTIONS**

Does this event have a partnership with a local charitable organization(s)?  Yes  No

If yes, please list and describe charitable organization below.

Charity Name and Contact

501(c) #

City

State

ZIP

Phone

Will there be a donation of goods and/or services to a local charitable organization(s)?

Yes  No

If yes, please describe what will be donated.

Will there be a cash contribution to a local charitable organization(s)?  Yes  No

If yes, please explain in what capacity.

Does this event allow opportunities for local volunteer involvement?  Yes  No

If yes, please explain.

<b>SECTION 7 – EVENT BUDGET</b>				
<b>EXPENSES</b>				
	2011/12 Actual		2012/13 Projected	
<b>Personnel</b>	Cash	In-Kind	Cash	In-Kind
Administrative	\$	\$	\$	\$
Technical/Production				
City Services				
Artist/Entertainment Fees				
Other:				
<b>General Operations</b>				
Facility/Site Rental	\$	\$	\$	\$
Marketing/Advertising				
Equipment Rental				
Travel				
Materials & Supplies				
Trash/Clean-up				
Security				
Other:				
<b>TOTAL EXPENSES</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>

<b>REVENUE</b>		
	2011/12 Actual	2012/13 Projected
Sponsorship	\$	\$
Grants		
Admissions		
Booth Rental		
Beverage/Food Sales		
Merchandise Sale		
Other:		
<b>TOTAL CASH REVENUE</b>	<b>\$</b>	<b>\$</b>
<b>Requested Amount</b>		
	\$	

If requested amount is not granted, will this event go forward?  Yes  No  
 Sponsorship funds are limited and every year there are more organizations requesting support.  
 As concisely as possible please explain why your event should be funded and how the funds will be spent.

**SECTION 8 – IMPORTANT NOTICE**

All applicants are advised that events, whether gated or non-gated, whether charging admission or not, and which are held on City parks, streets and/or sidewalks next to streets, are held on traditional public forums within the exercise of the U.S. Constitution First Amendment rights have been and are traditionally conducted. The City will not tolerate any restriction of such rights by applicants and/or their promoters, employees, agents, subcontractors, assigns, volunteers, security personnel or other associated with applicants (collectively “Event Personnel”) in the holding of events. In addition, Event Personnel shall comply with all other laws, common laws, statutes, ordinances and rules and regulation, including, but not limited to, those involving the storage of guns at events held without a State of Arizona spirituous liquor license and those concerning the language that is placed on entry signs to such events. Applicants are encouraged to consult with their own attorneys for independent legal advice about applicants’ duties and obligations concerning the subject mater contained in this paragraph.

The event must have a secular purpose, the primary effect of which may neither advance nor inhibit religion, nor should it cause excessive government entanglement with religion. The event must not seek to influence the outcomes of elections, or the determination of public policy through political activity.

Applicant acknowledges that applicant has read and understood this Notice, agrees to comply with and abide by its terms, and has placed applicant/s initials in the space below to verify such acknowledgement and understanding.

\_\_\_\_\_  
Initials of applicant or applicant’s authorized agent

**SECTION 9 – ACKNOWLEDGEMENT**

Applicant acknowledges sponsorship recipient events will **NOT** receive additional financial considerations and/or services from the City of Prescott or its designees in excess of the amount of the sponsorship award.

\_\_\_\_\_  
Initials of applicant or applicant’s authorized agent

**SECTION 10 – CERTIFICATION**

I hereby certify that the statements made in this application are true and complete to the best of my knowledge, and that I am authorized to execute the application. Intentional omissions or falsification of information is sufficient grounds for denial of the application and subsequent revocation of the permit. I agree to indemnify, defend and save harmless the City and its respective officers, agents, employees and volunteers from any and all losses, claims, liabilities, damages, costs and expenses, including reasonable attorneys’ fees and court costs, resulting from the conduct of the applicant, sponsor or promoter, their employees, suppliers, vendors, agents, any of their guests, invitees or licensees with regard to the event applied for. I agree to indemnify, defend and save harmless the City and its respective officers, agents, employees and volunteers from any and all losses, claims, liabilities, damages, costs and expenses, including reasonable attorneys’ fees and

court costs resulting from any facility, park or lake closure due to inclement weather. In such an instance, I understand that all event participants must follow the City's guidelines and procedures for lake/facility evacuation and that this event is being held inside the City limits and all City rules and regulations apply. I also understand that the City reserves the right to determine if park facilities are unusable as a result of inclement weather.

I realize my submittal of this application request constitutes a contract between myself and the City of Prescott and is a release of liability.

I am the said applicant and submit this application request of my own free will.

\_\_\_\_\_  
Signature of Applicant (or Authorized Agent)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

Applications must be submitted by fax or email no later than 5pm on the due date of \_\_\_\_\_.

Fax applications to: 928-771-5870 to the attention of Don Prince, Prescott Office of Tourism.

E-mail applications as a word document or pdf to: [don.prince@prescott-az.gov](mailto:don.prince@prescott-az.gov).

NOTE: No paper copies will be accepted. Applications received after 5pm on the due date will not be considered.

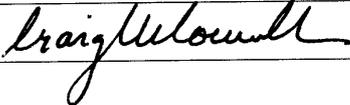
**Yavapai County  
Travel Impacts, 2002-2011p**

	2002	2004	2006	2008	2009	2010	2011p
<b>Total Direct Travel Spending (\$Million)</b>							
Destination Spending	537.1	589.4	684.0	701.9	622.4	641.3	676.6
Other Travel*	3.2	1.9	1.0	1.4	1.3	0.8	0.6
Total Direct Spending	540.3	591.3	684.9	703.2	623.8	642.1	677.2
<b>Visitor Spending by Type of Traveler Accommodation (\$Million)</b>							
Hotel, Motel	194.8	198.1	255.6	268.4	226.9	241.5	258.6
Campground	40.7	44.1	46.2	45.4	42.9	40.0	44.1
Private Home	73.7	100.2	114.2	111.7	100.4	101.9	105.5
Vacation Home	18.2	20.1	22.6	25.0	24.4	24.6	25.9
Day Travel	209.8	227.0	245.4	251.4	228.0	233.2	242.5
Destination Spending	537.1	589.4	684.0	701.9	622.4	641.3	676.6
<b>Visitor Spending by Commodity Purchased (\$Million)</b>							
Accommodations	79.6	81.5	109.8	115.7	95.2	99.1	106.0
Food Service	130.8	146.5	172.8	180.8	169.5	175.4	183.7
Food Stores	31.2	33.2	35.7	38.5	37.3	36.0	38.8
Local Tran. & Gas	23.5	35.9	50.0	55.3	36.4	45.4	55.4
Arts, Ent. & Rec.	149.9	165.6	177.4	176.7	157.3	156.5	159.9
Retail Sales	121.9	126.1	137.9	134.5	126.2	128.4	132.6
Visitor Air Tran.	0.2	0.6	0.3	0.3	0.6	0.4	0.1
Destination Spending	537.1	589.4	684.0	701.9	622.4	641.3	676.6
<b>Industry Earnings Generated by Travel Spending (\$Million)</b>							
Accom. & Food Serv.	68.8	74.7	90.8	103.6	91.6	91.8	98.4
Arts, Ent. & Rec.	52.2	58.3	66.6	68.5	61.9	60.4	60.9
Retail**	20.3	21.6	24.5	24.8	21.3	21.5	22.6
Ground Tran.	0.2	0.3	0.3	0.3	0.3	0.3	0.3
Visitor Air Tran.	0.0	0.1	0.2	0.3	0.4	0.5	0.5
Other Travel*	2.1	0.8	0.7	1.1	1.0	0.7	0.8
Total Direct Earnings	143.8	155.7	183.1	198.6	176.5	175.2	183.6
<b>Industry Employment Generated by Travel Spending (Jobs)</b>							
Accom. & Food Serv.	4,090	3,910	4,170	4,460	3,930	3,860	4,070
Arts, Ent. & Rec.	3,490	3,850	3,800	3,750	3,370	3,110	3,280
Retail**	870	870	980	980	850	830	850
Ground Tran.	10	10	10	10	10	10	10
Visitor Air Tran.	0	0	0	10	10	10	10
Other Travel*	90	30	30	30	30	20	20
Total Direct Employment	8,540	8,660	8,990	9,240	8,190	7,830	8,240
<b>Government Revenue Generated by Travel Spending (\$Million)</b>							
Local Tax Receipts	11.2	12.4	15.5	15.9	13.9	14.7	15.9
State Tax Receipts	15.4	18.9	23.4	23.7	21.0	22.4	24.9
Total Direct Gov't Revenue	26.7	31.3	38.8	39.6	35.0	37.1	40.8

Details may not add to totals due to rounding.

\*Other Travel includes resident air travel and travel agencies. \*\*Retail includes gasoline.

<b>COUNCIL AGENDA MEMO – August 28, 2012</b>	
<b>DEPARTMENT:</b>	Field and Facilities Services
<b>AGENDA ITEM:</b>	Disposal of surplus vehicles and equipment for FY13

<b>Approved By:</b>	<b>Date:</b>
<b>Department Head:</b> Stephanie Miller	
<b>Finance Director:</b> Mark Woodfill	
<b>City Manager:</b> Craig McConnell 	

**Summary**

This item requests approval for the Fleet Services Division to dispose of surplus vehicles and equipment during FY13 via online, internet auctions. Since it is difficult to compare online auction services, three (3) vendors, each with recent public auction experience and having been through a governmental procurement process, will be used for disposal of initial groups of items.

Upon completion of the three auctions, one vendor best meeting the needs of the City will be selected. This vendor will then be used for any additional auction services which may be needed for the remainder of FY13.

**Background**

Thirty-five (35) surplus vehicles and pieces of equipment replaced in FY09 through FY11 or otherwise identified as underutilized are to be auctioned. Since each vendor's process is unique, in order to compare their services three (3) separate online auctions will be conducted initially: Rene Bates Auctions, Public Surplus, and Property Room. Vendor differences include the amount of City time needed to load information into their system, the method and percentage of payment between the vendor and the customer, and the method for calculating payment by the vendor to the City. No definitive prediction of the final outcome given these variables can be made prior to the actual auctions.

In order to evaluate the three vendors, items have been distributed among them using comparable numbers of units, types, and estimated values. Criteria have been identified for evaluation of each vendor to determine which process is in the best interest of the City.

This information will be used in designing contract specifications for future year web-based vehicle auctions.

**Attachments**

- "A" Surplus Vehicle Auction Item Listing (3 pages) - August 6, 2012
- "B" Surplus Vehicle Auction Comparisons - 2012

**AGENDA ITEM: Disposal of surplus vehicles and equipment for FY13**

“C” Surplus Vehicle Auction Review Criteria – 2012

**Financial Impact**

The auction proceeds will be distributed to the applicable fund for each piece of equipment.

**Recommended Action: MOVE** to approve the disposal of surplus vehicles and equipment for FY13 by auction.



Attachment "A2"

Surplus Vehicles Auction Item Listing ~ August 6th 2012									
#	Asset	Vin Serial	Dept	Year	Description	Aprox. Mileage	Aprox. Hrs	C.C	Auction Criteria
<b>VENDOR #2 - PUBLIC SURPLUS</b>									
972		JKAJZCP271B518937	PD	2000	KAWASAKI Police KZ1000	37,558	N/A	I	FLEET MANAGEMENT RECOMMENDATION - Surplus vehicle - Reduction in Fleet size
805		1G1JC524XS7185055	Motor pool	1995	Chev. Cavalier 4 DR Sedan	90,498	N/A	O	FLEET MANAGEMENT RECOMMENDATION - Surplus vehicle - Reduction in Fleet size
893		1CGGK24RXWE195744	FO	1998	Chev. 3/4t 4X4 Pickup	121,756	N/A	O	FLEET MANAGEMENT RECOMMENDATION - Surplus vehicle - Reduction in Fleet size
1008		2FVABTAK22HK03240	A	2002	Freightliner FL 70 / Broom Bear Street Sweeper	54,303	8,848	O	FLEET MANAGEMENT RECOMMENDATION - Surplus vehicle - Reduction in Fleet size
1017		2FAFP71W63X115568	PD	2003	Ford Crown Vic Police Interceptor	93,337	N/A	O	FLEET MANAGEMENT RECOMMENDATION - Surplus vehicle - Reduction in Fleet size
1045		JKAKZCP202B520448	PD	2002	KAWASAKI Police KZ1000	26,092	N/A	I	FLEET MANAGEMENT RECOMMENDATION - Surplus vehicle - Reduction in Fleet size
1047		2G1WF55K139293801	PD	2003	Impala 4 Door	78,963	N/A	O	FLEET MANAGEMENT RECOMMENDATION - Surplus vehicle - Reduction in Fleet size
1048		2FAHP71W93X190984	PD	2003	Ford Crown Vic Police Interceptor	95,505	N/A	O	FLEET MANAGEMENT RECOMMENDATION - Surplus vehicle - Reduction in Fleet size
1124		2FAFP71W95X144694	PD	2005	Ford Crown Vic Police Interceptor	114,424	N/A	O	FLEET MANAGEMENT RECOMMENDATION - Surplus vehicle - Reduction in Fleet size
1155		2FAFP71W36X121400	PD	2006	Ford Crown Vic Police Interceptor	100,191	N/A	O	To be turned in by PD after new PD Tahoes are put into service
1240		2FAHP71W07X133353	PD	2007	Ford Crown Vic Police Interceptor	89,486	N/A	O	FLEET MANAGEMENT RECOMMENDATION - Surplus vehicle - Reduction in Fleet size
None		2427	Airport	Unk	BT40-1 Towable Airport Luggage Cart	N/A	Unknown	O	FLEET MANAGEMENT RECOMMENDATION - Surplus vehicle - Reduction in Fleet size
None		SN # 10038		Unk	Napa Pressure Washer	N/A	Unknown	I	FLEET MANAGEMENT RECOMMENDATION - Surplus vehicle - Reduction in Fleet size
C.C = Condition Codes						W = Wrecked		? = Unknown	
O = Operational						I = Inoperative			

Attachment "A"

Surplus Vehicles Auction Item Listing ~ August 6th 2012

#	Asset	Vin Serial	Dept	Year	Description	Aprox. Mileage	Aprox. Hrs	C.C	Auction Criteria
<b>VENDOR #3 - PROPERTY ROOM</b>									
633	1GCC34K5JE197349		GC	1988	Chevrolet 3500 4X2 LWB PU	122,181	N/A	O	FLEET MANAGEMENT RECOMMENDATION - Surplus vehicle - Reduction in Fleet size
855	1FALP10P6VW297698		FO	1997	Ford Escort 4DR Sedan	87,476	N/A	O	FLEET MANAGEMENT RECOMMENDATION - Surplus vehicle - Reduction in Fleet size
901H	2FAFP71W4WX147925		PD	1998	Ford Crown Vic Police Interceptor	65,866	N/A	O	To be turned in by PD after new PD Tahoes are put into service
975	2FAP71W51X139051		PD	2001	Ford Crown Vic Police Interceptor	75,166	N/A	O	FLEET MANAGEMENT RECOMMENDATION - Surplus vehicle - Reduction in Fleet size
985	2FAFP71W21X156762		PD	2001	Ford Crown Vic Police Interceptor	87,963	N/A	O	FLEET MANAGEMENT RECOMMENDATION - Surplus vehicle - Reduction in Fleet size
1051	2FAHP71W3X190987		PD	2003	Ford Crown Vic Police Interceptor	87,121	N/A	O	FLEET MANAGEMENT RECOMMENDATION - Surplus vehicle - Reduction in Fleet size
1053	2FAHP71W83X190989		PD	2003	Ford Crown Vic Police Interceptor	89,359	N/A	O	FLEET MANAGEMENT RECOMMENDATION - Surplus vehicle - Reduction in Fleet size
1085	5VDC6BE44H200197		FO	2004	Sanitation Truck ASL	N/A	N/A	I	FLEET MANAGEMENT RECOMMENDATION - Surplus vehicle - Reduction in Fleet size
1094	JKAKZCP2958521652		PD	2005	KAWASAKI Police KZ1000	20,164	N/A	O	FLEET MANAGEMENT RECOMMENDATION - Surplus vehicle - Reduction in Fleet size
1127	2FAFP71W45X144697		PD	2005	Ford Crown Vic Police Interceptor	114,424	N/A	O	To be turned in by PD after new PD Tahoes are put into service
1128	2FAFP71W65X144698		PD	2005	Ford Crown Vic Police Interceptor	109,577	N/A	O	To be turned in by PD after new PD Tahoes are put into service
1241	2FAHP71W97X144352		PD	2007	Ford Crown Vic Police Interceptor	87,541	N/A	O	To be turned in by PD after new PD Tahoes are put into service
None	25704 - Eng serial R602 2652 - Spec 471			Unk	Red Seal - Continental engine w/ twin disc power takeoff	Unknown	Unknown	I	Does not run
C.C = Condition Codes						O = Operational		W = Wrecked	
						I = Inoperative		? = Unknown	

FIELD AND FACILITIES SERVICES  
SURPLUS VEHICLE AUCTION COMPARISONS 2012

August 16th 2012

Auction Vendor	Preview Auction	Charge to the City	Charge to the Buyer	Who Collects the Money from Buyer
Public Surplus	No	7.00%	0.00%	COP
Public Surplus Premium	No	3.00%	7.00%	PSP
Rene Bates	Yes 7 days	7.50%	0.00%	Rene Bates
Property Room (Gold)	No	5%	0.00%	COP
Property Room (Platinum)	No	12.50%	0.00%	PRP

FIELD AND FACILITIES SERVICES  
SURPLUS VEHICLES AUCTION REVIEW CRITERIA 2012

Auction Vendor	Vehicles Posted	Vehicles Sold	Web Traffic	Ease for COP Staff usage (1 - 5) Points	Direct Telephone Contact	Revenue Received
Public Surplus					No	
Public Surplus Premium					no	
Rene Bates					Yes	
Property Room (Gold)					No	
Property Room (Platinum)					No	

<b>COUNCIL AGENDA MEMO – August 28, 2012</b>	
<b>DEPARTMENT:</b>	Parks and Recreation
<b>AGENDA ITEM:</b>	Approval to proceed with acquisition of easements upon Arizona State Trust lands for the Prescott Circle Trail

<b>Approved By:</b>		<b>Date:</b>
<b>Department Head:</b> Joe Baynes		8-15-12
<b>Finance Director:</b> Mark Woodfill		
<b>City Manager:</b>	Craig McConnell 	8-21-12

**Summary**

This item is for approval to proceed with necessary actions to secure leases of easements from the Arizona State Land Department (ASLD) for 6.6 miles of the Prescott Circle Trail. This process is identical to the procedure required for acquisition of utility and roadway corridors on State Trust lands.

**Background**

In 1990, the Yavapai Trails Association developed a vision for a 50-mile recreation trail encircling Prescott. Subsequently, the applicable jurisdictions and other interested parties have made significant progress in planning and constructing the Prescott Circle Trail.

The mission of ASLD is to manage State Trust lands to enhance value and optimize economic return for the Trust beneficiaries, consistent with sound stewardship, conservation, and business management principles. State Trust land is distinguished from other public lands such as parks or national forests because all uses of the land must benefit the 13 Trust beneficiaries. Public schools (K-12) are the largest beneficiary, owning approximately 87% of the land and receiving close to 90% of the revenue. More detailed information about beneficiaries, policies and procedures can be accessed at [www.land.state.as.us](http://www.land.state.as.us).

**ASLD Procedure for Acquiring Easements**

The steps and requirements are as follows (all costs are required to be paid by the applicant):

1. Right-of-entry fee
2. Posting of deposit for estimated value of easement(s)
3. Archaeological/cultural survey
4. Native plant survey
5. Plan to address and resolve any grazing lease issues
6. Real estate appraisal for proposed use (by ASLD in-house or contract)
7. Right-of-way survey

**Agenda Item:** Approval to proceed with acquisitions upon Arizona State Trust lands for the Prescott Circle Trail

**Budget**

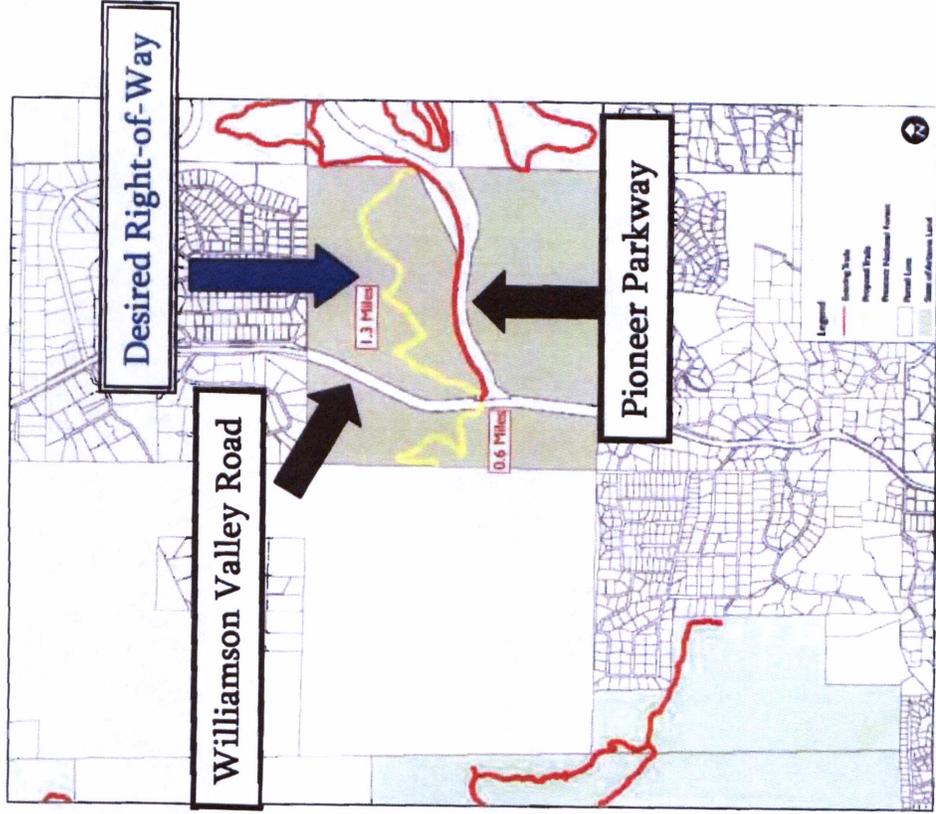
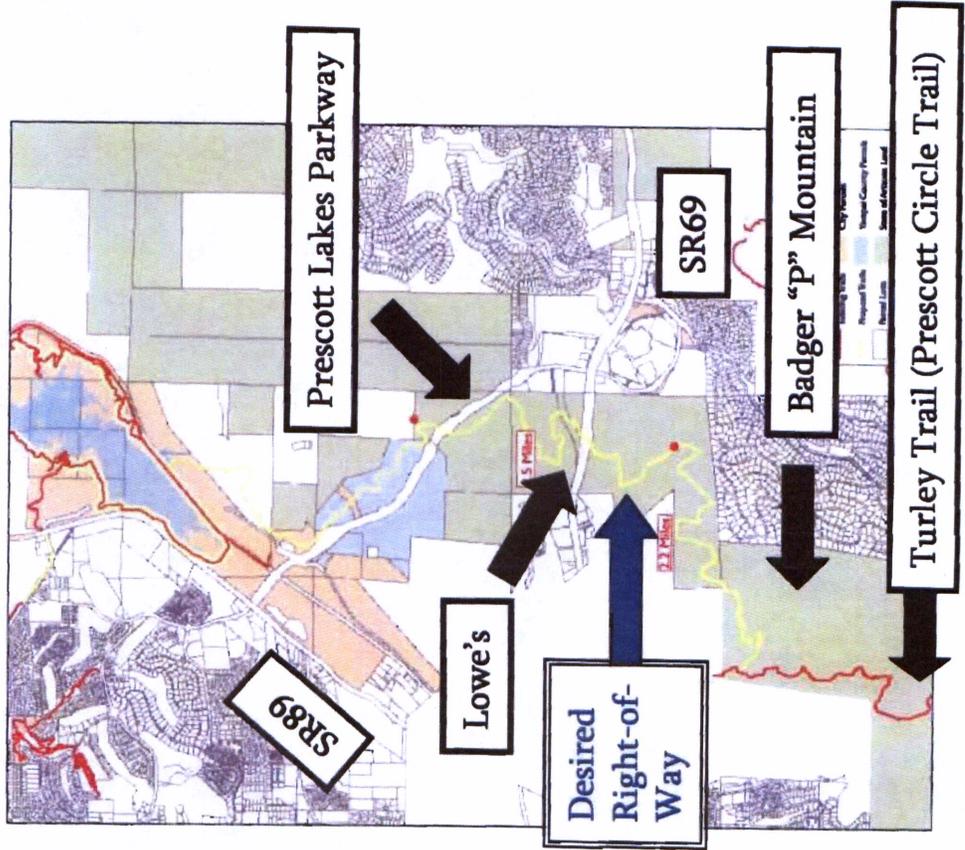
FY13 funding in the amount of \$120,000 for acquisition of these easements has been budgeted and is available for the Circle Trail Project from the One Cent Sales Tax for Streets and Open Space.

**Attachments** - Location map

**Recommended Action:** **MOVE** to approve acquisition of easements upon Arizona State Trust lands for the Prescott Circle Trail; and authorize the Mayor and staff to take all necessary actions to effect the same.

# Prescott Circle Trail

## Current Desired Rights-of-Way (Arizona State Trust Land)



**COUNCIL AGENDA MEMO – August 28, 2012**

**DEPARTMENT:** Field and Facilities Services

**AGENDA ITEM:** Approval of contract with PSC Environmental Services, LLC, for Household Hazardous Waste Day on September 29, 2012

**Approved By:**

**Date:**

<b>Department Head:</b> Stephanie Miller	
<b>Finance Director:</b> Mark Woodfill	
<b>City Manager:</b> Craig McConnell <i>Craig McConnell</i>	<i>8-21-12</i>

**Summary**

This item requests approval to enter into a contract with PSC Environmental Services, LLC, for professional disposal services required for processing, removing and disposing of household hazardous wastes (HHW). This year Household Hazardous Waste Day is scheduled for Saturday, September 29, 2012, at the Transfer Station on Sundog Ranch Road.

**Background**

Many common household materials are considered hazardous and/or require special disposal. These products contain corrosive, toxic, ignitable, or reactive ingredients. Products such as paint, paint thinners, Freon, cleaners, motor oil, batteries, fertilizers and pesticides also require special disposal to avoid potential contamination of groundwater.

The City of Prescott conducted HHW collection events in 2008 and 2011, which were well received by residents. During the last event, more than 880 vehicles drove through the collection site, disposing of more than 97,400 pounds of HHW. The Solid Waste Division is planning to host a HHW event for Prescott residents on Saturday, September 29, 2012, from 8:00 a.m. to noon, at the Transfer Station, 2800 Sundog Ranch Road. This service will be offered at no additional charge to residents of Prescott.

**Procurement**

In order to estimate the cost of the event, the Solid Waste Division solicited pricing from three companies based upon materials received during the 2011 event. Two companies were responsive with the third determined non-responsive due to inadequate price quotes. Based upon their pricing and qualifications, the Solid Waste Division recommends awarding a contract to PSC Environmental Services, LLC.

PSC Environmental is under contract with the City of Mesa, a member of the Strategic Alliance for Volume Expenditures (SAVE) cooperative. Mesa conducted a competitive sealed proposal evaluation in November 2010, and has extended their contract for HHW services for use by other municipalities. PSC Environmental personnel have

<b>COUNCIL AGENDA MEMO – August 28, 2012</b>	
<b>DEPARTMENT:</b>	Field and Facilities Services
<b>AGENDA ITEM:</b>	Ratification of purchase of hot mix asphaltic-cement concrete from Asphalt Paving and Supply, Inc., in the amount of \$34,721.98

<b>Approved By:</b>		<b>Date:</b>
<b>Department Head:</b>	Stephanie Miller	
<b>Finance Director:</b>	Mark Woodfill	
<b>City Manager:</b>	Craig McConnell <i>Craig McConnell</i>	8-17-12

**Background**

The Street Maintenance Division received numerous complaints concerning the condition of Bradshaw Drive. However, the rough, deteriorated segment was not yet programmed for rehabilitation within the five-year pavement management and replacement capital improvement program. Working with the Engineering Division, a treatment was identified that would provide long-term benefit at a substantially lower cost than traditional removal and replacement of the existing surface. The approach consisted of overlaying Bradshaw Drive with asphaltic-cement concrete (ACC), followed by a chipseal finish to be applied via this summer's City-wide resurfacing project. Funding was available in the Street Maintenance budget to accomplish the work.

The overlay requires a curing period of two weeks prior to chipsealing. Therefore, Street Maintenance Division crews needed to complete the Bradshaw Drive work by August 3, 2012, to coordinate timing with the chipseal contractor. To achieve the tight construction window, hot mix was required during the week of July 29, 2012.

The City issues annual contracts for hot mix to multiple vendors since their plants are not always operational or producing the type of mix required. In setting up the Bradshaw Drive project, reliance was made upon one of these existing vendors being able to provide the material. However, when it was needed, one supplier had moved their plant to another part of the state, and the second was producing only an ADOT specified material unsuitable for the Bradshaw Drive project. Consequently, Asphalt Paving and Supply, Inc., the only local vendor able to supply the needed mix, was selected on an emergency basis to provide the material.

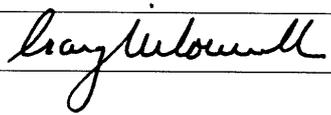
Section 10 of the City Procurement Code provides authorization for such emergency purchases, "... if a situation is determined to be necessary for the public interest," subject to subsequent ratification by the Council.

**Attachment** - Asphalt Paving and Supply invoice number 25350 dated August 3, 2012

<b>Recommended Action:</b> MOVE to ratify the purchase of hot mix asphaltic-cement concrete for the Bradshaw Drive project from Asphalt Paving, Inc., in the amount of \$34,721.98.
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<b>COUNCIL AGENDA MEMO – August 28, 2012</b>
<b>DEPARTMENT:</b> City Manager
<b>AGENDA ITEM:</b> Antelope Hills Golf Course strategic and operational direction

<b>Approved By:</b>	<b>Date:</b>
<b>Deputy City Manager:</b> Alison Zelms	
<b>Finance Director:</b> Mark Woodfill	
<b>City Manager:</b> Craig McConnell 	8-22-12

**Summary**

This item will consist of presentation of prior year (FY 12) financial performance, followed by discussion/direction regarding the approach forward for the Antelope Hills Golf Course and auxiliary facilities, the Manzanita Grille and Centennial Center.

To comprehensively address the finances, and clarify the strategic and operational direction of the golf course and auxiliary facilities, specific actions are required during the current fiscal year (FY 13). These may take the shape of the specific steps outlined by the first attachment, milestones encompassing the entirety of Antelope Hills, which includes the two 18-hole Golf Courses (North and South), restaurant, and events venue.

While these steps and milestones will provide structure to the evaluation and action implementation process, important guidance is needed before commencing them which can be obtained by setting forth and answering a number of fundamental questions regarding the role of Antelope Hills as it relates to both recreation and the economy within the City, and whether an updated vision is needed to better define and realize that role.

**Confirming the Role of Antelope Hills**

The initial checkpoint pertains to the validity of a basic assumption regarding Antelope Hills:

*The City chooses to (continue to) provide golf to the public as a recreational activity.*

If this assumption is valid, then the aforementioned question and answer process will facilitate determining what constitute successful outcomes, and how to best deliver them. Specifically, these questions relate to the purpose and operating structure, financial goals, and manpower at Antelope Hills.

Conversely, if the assumption is not valid, questions relating to the quality, cost, and financial resources necessary to provide municipal golf at a consciously selected level of service become moot.

Clear answers to these questions will shape policy and lead to either creating a new framework for future operation of Antelope Hills, or validating and improving the current approach. Without them, implementation of the attached milestones will likely lead to

**Agenda Item:** Antelope Hills Golf Course strategic and operational direction

repetition of the fragmented, conflicted dialogue of the past which has not led to closure on the various issues.

**Financial and Economic Impact Analyses**

Independent financial and economic impact analyses would be useful to identify the pros and cons of alternative management models, estimate the financial benefit to tourism, provide best practices regarding effective, efficient operation, and reveal market constraints bearing on the financial sustainability of offering the game to the public as municipal recreation. However, if there are specific actions Council wishes to take as a matter of policy, e.g. contracting out certain operations, then it would be best to identify and directly pursue them at this point, simplifying the scope of the analyses.

**Budget**

Antelope Hills Golf Course is an enterprise fund. The City, and other municipalities, establish enterprise funds when rates or fees are charged to external users for services. City "enterprises" have some similarities to private businesses, but are not "for profit." Rather, the enterprise designation means that they are separately accounted in terms of revenues and expenses. It is not uncommon for the revenue to include, and require, transfers in from other municipal sources to balance the fund.

The FY 2012 preliminary financial statement for the golf course shows that operating expenses exceeded revenues by \$237,995 (an improvement from the net shortfall of \$375,901 for the prior fiscal year). The FY 2012 statement further shows that the food and beverage operation (Manzanita Grille and Centennial Center) broke even. General Fund support to the golf course over the last eleven fiscal years, which has been described as an internal loan, now totals \$3,663,573.

None of the preceding numbers have been adjusted to reflect the economic benefit of Antelope Hills to tourism-driven sales tax collections, enhancement of proximate real estate values, or other value added to the City's overall economy and quality of life.

The cost to conduct each of the operational and economic impact analyses mentioned is in the range of \$15,000 - \$20,000. Council will have final approval of these contracts.

- Attachments** - FY 2013 Milestones  
- FY 2012 Preliminary Income Statement  
- Golf Revenues and Expenditures

**Recommended Action:** No formal action; Council discussion and direction only regarding the overall vision for Antelope Hills, desired outcomes, goals, and activities forward. Items for action with recommendations may be brought back at future Council voting meetings.

## **Antelope Hills – FY 13 Milestones**

There are several specific steps that will be necessary in order to assure the successful operation of Antelope Hills, which includes the Golf Courses, Manzanita Grille, and Centennial Center. These steps are summarized below.

### **1. FY 2013 Financials**

Short Term: Develop FY2013 Budget with goal of break even position **(1<sup>st</sup> Quarter)**

Action Items:

- Adjust rates to improve revenue position
- Efficiently allocate funds recognizing the importance of marketing/promotion
- Report quarterly to management and council

Mid Term: Maximize financial performance without sacrificing customer service or course quality **(1<sup>st</sup> and 2<sup>nd</sup> Quarter)**

Action Items:

- Implement the remainder of the steps and determine the most viable operational structure (City owned-operated, City owned-operational management contract, City owned-long term lease, sale of facility, repurpose of facility from golf to other use)

**2. Goals and Objectives (1<sup>st</sup> and 2<sup>nd</sup> Quarter)** Develop a true understanding of what the specific goals and objectives are for the facility. Are we trying to compete with the private courses in town, or provide a public amenity for the community and visitors? Is this answer different for the restaurant, Centennial Center or golf courses? Analyze the information and combine with our knowledge base in all aspects of club operations. Not only is it important for the property to establish a solid direction for the future, it is imperative to match those plans to the economic profile of the community, the desires of the customers/community and the overall potential of the facility.

### **3. Operational and Economic Impact Analysis/Evaluation (2<sup>nd</sup> and 3<sup>rd</sup> Quarter)**

Once we identify and understand the objectives for Antelope Hills (i.e. "what we want to be"), we begin with a detailed assessment and evaluation for each area of the operation. This will most likely include engaging an external group to perform an

operational analysis, including reviews of the operating procedures as well as communication with key personnel. The evaluation will assemble information from Antelope Hills and measure the business guidelines against other successful golf operations, including public/municipal courses, semi-private, and private courses. In addition, an economic impact analysis showing the value of Antelope Hills in terms of its impact on tourism/retail will help to identify and measure what true “financial success” means for the course.

**4. Summarize Findings (3<sup>rd</sup> Quarter)** A detailed summary of current operating standards is compiled along with recommendations for changes/improvements to maximize the efficiency for each aspect of the Antelope Hills operation. This will also include a review of options for operational structure of the facility – (City owned-operated, City owned-operational management contract, City owned-long term lease, sale of facility, repurpose of facility from golf to other use).

**5. Design Business Plan (3<sup>rd</sup> Quarter)** Following the analysis phase, and direction on what operational structure is preferred, a detailed plan will be created based on specific standards and operating procedures designed for Antelope Hills based on the established goals, internal evaluation and summary of findings. This roadmap should be clear, concise, and measurable. The roadmap would inform, current in-house personnel and operations improvements, or an RFP process for lease, management, or repurpose of the course.

**6. Implement and Execute (3<sup>rd</sup> and 4<sup>th</sup> Quarter)** Following development of the business plan for the facility, it is then implemented via the Executive Team. A feedback loop for accountability of execution will be necessary. This includes facility audits, training, professional development, and business forecasting. In the case of a change in management type, standards would be written into the contract.

**7. Ongoing Evaluation & Monitoring (4<sup>th</sup> Quarter and on)** The golf business offers ever-changing scenarios and it is imperative that the business is monitored daily. If the plan is not working, or sentiments about the purpose of the facility change, modifications can be made more easily and effectively if sufficient data exists to inform a decision.

Antelope Hill Golf Course  
 Revenues and Expenditures by Function  
 For the twelve months ending 6/30/2012  
**Preliminary**

**Course Operations**

**Revenues**

Green Fees	1,132,433
Cart Rental	474,702
Proshop Revenue	142,183
Driving Range	97,043
Miscellaneous	177
Total	<u>1,846,538</u>

**Expenditures**

Personnel	1,015,389
Operating Supplies	322,800
Other Services and Charges	603,142
Debt Service	143,802
Total	<u>2,085,133</u>

**Excess of Expenditures over Revenues** (238,595)

**Manzanita Grille/Centennial Center**

**Revenues**

Food Sales	575,009
Beverage Sales	167,023
Room Rental	20,439
Miscellaneous	2,482
Total	<u>764,953</u>

**Expenditures**

Personnel	370,109
Operating Supplies	289,231
Other Services and Charges	105,013
Total	<u>764,353</u>

**Excess of Expenditures over Revenues** 600

**Antelope Hills Total**

**Excess of Expenditures over Revenues** (237,995)

# Golf Revenue and Expenditures

	Expenditures							Total
	Personnel	Supplies	Effluent	Internal Charges	Other Services (1)	Interest	Principal	
FY 2002	\$ 784,242	\$ 315,912	\$ 126,197	\$ 47,490	\$ 403,828	\$ 246,292	\$ 478,200	\$ 2,402,161
FY 2003	809,693	263,008	145,000	52,721	251,589	234,035	504,112	2,260,158
FY 2004	781,723	299,472	165,000	54,239	383,050	186,029	529,910	2,399,423
FY 2005	870,013	327,696	165,000	72,200	362,422	171,131	510,568	2,479,030
FY 2006	913,209	375,933	185,000	68,050	394,228	115,711	743,017	2,795,148
FY 2007	1,384,019	733,682	182,134	97,229	407,810	117,886	813,160	3,735,920
FY 2008	1,477,758	741,063	227,100	155,273	507,629	115,074	799,328	4,023,225
FY 2009	1,414,552	657,238	221,616	154,080	280,203	77,754	819,808	3,625,251
FY 2010	1,479,674	595,128	199,710	137,494	313,643	74,740	617,985	3,418,374
FY 2011	1,450,836	645,834	221,690	175,750	232,427	15,917	165,321	2,907,775
FY 2012 (2)	1,385,498	612,031	292,820	171,070	244,265	15,920	127,882	2,849,486

	Revenue		Revenue		General	
	Golf Income	Restaurant	Over (under)	Expenditures	Fund Loan	Outside Debt
FY 2002	\$2,353,526	\$ -	\$ (48,635)	\$ 16,499	\$ 4,531,405	\$ 4,531,405
FY 2003	2,200,497	-	(59,661)	54,203	4,027,293	4,027,293
FY 2004	2,215,323	-	(184,100)	335,330	3,500,415	3,500,415
FY 2005	2,261,320	-	(217,710)	493,132	3,630,366	3,630,366
FY 2006	2,620,475	-	(174,673)	399,895	2,893,834	2,893,834
FY 2007	2,439,199	925,909	(370,812)	860,292	2,133,142	2,133,142
FY 2008	2,409,869	850,535	(762,821)	1,558,918	1,318,712	1,318,712
FY 2009	2,226,368	758,050	(640,833)	2,274,753	1,077,208	1,077,208
FY 2010	1,884,445	747,868	(786,061)	2,962,519	466,604	466,604
FY 2011	1,841,026	690,848	(375,901)	3,361,888	510,802	510,802
FY 2012 (2)	1,846,538	764,953	(237,995)	3,663,573	382,920	382,920

## Notes

1 - Other Services include utilities, banking fees, advertising, maintenance contracts, memberships, postage.

2 - Preliminary