

PRESCOTT CITY COUNCIL  
REGULAR VOTING MEETING  
TUESDAY, SEPTEMBER 11, 2012  
PRESCOTT, ARIZONA

MINUTES OF THE REGULAR VOTING MEETING OF THE PRESCOTT CITY COUNCIL HELD ON SEPTEMBER 11, 2012, in the COUNCIL CHAMBERS located at CITY HALL, 201 SOUTH CORTEZ STREET, Prescott, Arizona.

◆ **CALL TO ORDER**

◆ **INTRODUCTIONS**

◆ **INVOCATION** by Reverend Julia McKenna Johnson, Each One Reach One.

◆ **PLEDGE OF ALLEGIANCE** by Councilman Lamerson.

◆ **ROLL CALL:**

Mayor Kuykendall  
Councilman Arnold  
Councilman Blair  
Councilman Carlow

Councilman Kuknyo  
Councilman Lamerson  
Councilman Scamardo

◆ **SUMMARY OF CURRENT OR RECENT EVENTS**

**I. CONSENT AGENDA**

- A. Approval of the minutes of the Prescott City Council Special Meeting of June 19, 2012; Regular Voting Meeting June 26, 2012; Workshop of July 17, 2012; Special Meeting of July 24, 2012; Regular Voting Meeting of July 24, 2012; and Special Meeting of August 28, 2012.
- B. Approval of Application Data Systems, Inc. (ADSi) invoice in the amount of \$15,556.00 for public safety records software system.

**COUNCILMAN ARNOLD MOVED TO APPROVE CONSENT AGENDA ITEMS I.A.-I.B.; SECONDED BY COUNCILMAN LAMERSON; PASSED UNANIMOUSLY.**

**II. REGULAR AGENDA**

- A. Award of bid and contract for the Zone 27 Water Utility Improvement Project to CLM Earthmovers, LLC, in the amount of \$5,613,053.15.

Mark Nietupski, Public Works Director, presented. Zone 27 is in the western part of the City. It has been determined through the City of Prescott Water System Model and field observations that additional storage and pumping capacity are needed within the Zone 27 water service area, located in the vicinity of Thumb Butte. Mr. Nietupski reported that the planned improvements will increase storage volume and enhance pressure, fire flows, and overall system performance. The adjacent Zone 39 will also benefit from a piping reconfiguration to loop mains where existing lines dead end.

The project was identified in the Water Capital Improvement Program with engineering beginning in 2008. Mr. Nietupski said there have been numerous public meetings. The contract will be funded through the water fund. Construction will begin in October and we are looking at completion in about one year. CLM provided the low responsible bid and staff is recommending them for contract.

Mr. Nietupski reported that this area was platted in the 60's and 70's. The infrastructure has aged and it has been determined to be insufficient, which is evidenced by the operational issues we experience during peak demand periods. This project will correct the situation.

**COUNCILMAN BLAIR MOVED TO AWARD THE BID AND CONTRACT FOR THE ZONE 27 WATER UTILITY IMPROVEMENT PROJECT TO CLM EARTHMOVERS, LLC, IN THE AMOUNT OF \$5,613,053.15; SECONDED BY COUNCILMAN LAMERSON; PASSED UNANIMOUSLY.**

- B. Adoption of Ordinance No. 4840-1238, amendment to the Land Development Code Article 6.12, Signs, to revise the standards for changeable copy signage.

Tom Guice, Community Development Director presented. Over the past year, there has been an increased interest in electronic signage by businesses and sign companies. An update to the Land Development Code sign standards would be appropriate in recognition of the new and changing technologies now available.

Mr. Guice reported that this item was brought before the Unified Development Code Committee (UDC) on January 25 and May 10, 2012. The Committee unanimously recommended approval of the proposed amendment to the Planning and Zoning Commission (P&Z). The Planning and Zoning Commission then held a Study Session on June 28, 2012, and a Public Hearing / Voting Session on July 12, 2012, to address the issue, and unanimously recommended approval to City Council.

Mr. Guice confirmed that the signs at Bucky's Casino are not regulated by the City of Prescott and may be different than the signs the City of Prescott allows.

**COUNCILMAN LAMERSON MOVED TO ADOPT ORDINANCE NO. 4840-1238; SECONDED BY COUNCILMAN ARNOLD; PASSED UNANIMOUSLY.**

- C. Approval of amendments to Water Service Agreement No. 10-002 for Bradshaw III Senior Community and Water Service Agreement No. 10-003 for Bradshaw Crossing II Apartments.

Interim City Attorney Neil announced he had a conflict on this item and recused himself. Mr. Neil left the dais.

Leslie Graser, Water Resources Specialist, presented. Bradshaw Senior Community representatives have requested amendments to each of the two subject water service agreements (WSA) which were approved by Council on March 9, 2010, due to economic and market factors. 10-002 is a name change, an increase in the number of units from 32 to 33, and a three-year extension of the agreement to March 2016.

Agreement 10-003 is for a three year extension of the water service agreement to March 2016.

Ms. Graser reported staff is currently auditing the portfolio and making sure that someone who comes in for an agreement actually builds. If they have a final plat and do not build, we make sure we hold the water. If they don't have a final plat or if we don't have a historic agreement that we have to honor, then we bring it back into the portfolio.

Daniel Mattson, lives on Merritt Street, commented on workforce housing and the formula that is used to determine workforce housing. He does not think the formula is realistic. Our median income in Prescott is artificially high because of the high number of retirees who have large pensions. There are a lot of people in town who need true workforce housing in the \$17,000 a year range. He would like to see a more realistic number used. We need more housing in the \$600- \$800 range for the workforce.

**COUNCILMAN SCAMARDO MOVED TO APPROVE WATER SERVICE AGREEMENT NO. 10-002 AMENDMENT ONE AND WATER SERVICE AGREEMENT NO. 10-003 AMENDMENT ONE; SECONDED BY COUNCILMAN ARNOLD; PASSED UNANIMOUSLY.**

- D. Adoption of Ordinance No. 4841-1239, for Memorandum of Agreement re: Rights, Interests, and Obligations Between Owners of Respective Portions of the Elks Building.

City Clerk Mulhall read the Ordinance in full.

Craig McConnell, City Manager, presented. He reported that the Elks Building has two owners: The City of Prescott and the Prescott Elks Building, L.L.C. The Memorandum of Agreement (MOA) is to memorialize those understandings developed during the past decade. The MOA is a compilation of understandings and agreements which deal with the relationship between the parties with respect to maintenance of the roof. The utility charges will not be shared.

Mr. McConnell pointed out Paragraph 2.4 C of the MOA, which provides that the City may restore the loft to a condition useable for storage after which the City's monthly payment obligation shall cease. Mr. McConnell assured Council that this agreement does not compromise the public's interest through the City and the Elks Opera House. He said that nothing in the agreement precludes the City from considering sometime in the future selling its' property interest. The document does provide for an annual review of the utilities.

**COUNCILMAN ARNOLD MOVED TO ADOPT ORDINANCE NO. 4841-1239, MEMORANDUM OF AGREEMENTS RE RIGHTS, INTERESTS, AND OBLIGATIONS BETWEEN OWNERS OF RESPECTIVE PORTIONS OF THE ELKS BUILDING; SECONDED BY COUNCILMAN LAMERSON; PASSED UNANIMOUSLY.**

- E. Approval of a professional services agreement with National Golf Foundation Consulting, Inc., for an operational review and economic impact analysis of Antelope Hills Golf Course in an amount not to exceed \$25,000.

Alison Zelms, Deputy City Manager presented. This is a follow up to discussion Council had on August 28<sup>th</sup>. The proposed agreement with National Golf Foundation Consulting, Inc. (NGF) is to conduct an operational review and economic impact analysis of Antelope Hills Golf Course. Ms. Zelms said the operational analysis will generate important information regarding the financial performance of Antelope Hills, strategies to improve financial performance, and a discussion of management options for the golf, and food and beverage operations. This information will be important in finalizing a business plan for Antelope Hills.

The Council was not in agreement to move forward with the proposed agreement. Concerns include:

- The benefit to the citizens of Prescott
- Direct and indirect value to the community
- The difference between operational, economical impact analysis, and cost benefit analysis and which is needed at this time
- How it relates to a business plan
- Cost of agreement and where it gets us
- Customer survey in lieu of the agreement
- Execution of plan rather than this agreement
- Question the scope of work in the agreement
- Removing the golf course form the Enterprise Fund
- Not using local talent to get the information we need
- Need to look at internal opportunities

Councilman Scamardo suggested tabling the item and going back to NGF and asking for less focus on a facility review and to be more specific and more detailed on the economic impact.

Robert Graybill, Prescott resident, said golf courses lose money. At the end of the day, people like to play golf. The golf course provides something valuable. If management is good and the course is good and you privatize or lease it out, everybody is going to lose. Sell the course or subsidize it, Mr. Graybill suggested.

**COUNCILMAN LAMERSON MOVED TO TABLE TO SEPTEMBER 25, 2012, A PROFESSIONAL SERVICES AGREEMENT WITH NATIONAL GOLF FOUNDATION CONSULTING, INC., FOR AN OPERATIONAL REVIEW AND ECONOMIC IMPACT ANALYSIS OF ANTELOPE HILLS GOLF COURSE IN AN AMOUNT NOT TO EXCEED \$25,000; SECONDED BY COUNCILMAN KUKNYO; PASSED UNANIMOUSLY.**

- F. Approval of Change Orders #3 and #5 to the construction contract with A. Miner Contracting, Inc., for the Runway 21L-3R Runway Safety Area Improvement Project at Prescott Municipal Airport.

Councilman Arnold stepped away from the dais due to a previously declared conflict of interest and under the advice of the City Attorney.

Tom Guice, Community Development Director, presented. Change order #3 is for the removal and salvage for FAA use in existing Glide Slope navigational aids from the respective shelters, in the amount of \$50,439.33.

Change order #5, Mr. Guice said, is as a result of Change order #4 and is for the replacement of sixteen (16) sign bases.

Mr. Guice reported the FAA and ADOT have reviewed and approve both change orders. The FAA will cover 95% of cost of both change orders and ADOT will cover 2.5 % of cost of both change orders. The City's portion is 2.5%.

**COUNCILMAN SCAMARDO MOVED TO APPROVE CHANGE ORDER #3 IN THE AMOUNT OF \$50,439.33 AND CHANGE ORDER #5 IN THE AMOUNT OF \$36,781.25 TO THE CONSTRUCTION CONTRACT WITH A. MINER CONTRACTING, INC., FOR THE RUNWAY 21L-3R RUNWAY SAFETY IMPROVEMENT PROJECT; SECONDED BY COUNCILMAN BLAIR; PASSED 6-0.**

**III. ADJOURNMENT**

There being no further business to be discussed, the Regular Voting Meeting of September 11, 2012, adjourned at 5:06 p.m.

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MARLIN D. KUYKENDALL, Mayor

ATTEST:

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LYNN MULHALL, City Clerk

**CERTIFICATION**

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Voting Meeting of the City Council of the City of Prescott, Arizona held on the 11th day of September, 2012. I further certify the meeting was duly called and held and that a quorum was present.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2012.

AFFIX  
CITY SEAL

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LYNN MULHALL, City Clerk