

PRESCOTT CITY COUNCIL
REGULAR VOTING MEETING
TUESDAY, MAY 28, 2013
PRESCOTT, ARIZONA

MINUTES OF THE REGULAR VOTING MEETING OF THE PRESCOTT CITY COUNCIL HELD ON MAY 28, 2013, 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.

◆ **INTRODUCTIONS**

◆ **INVOCATION** by Reverend Julia, Each One Reach One Ministries

◆ **PLEDGE OF ALLEGIANCE** by Councilman Lamerson

◆ **ROLL CALL:**

Present:

Absent:

Mayor Kuykendall
Councilman Arnold
Councilman Blair
Councilman Carlow
Councilman Kuknyo
Councilman Lamerson
Councilman Scamardo

None

◆ **SUMMARY OF CURRENT OR RECENT EVENTS**

Mayor Kuykendall reported there was a great turnout at Citizens Cemetery yesterday, observing the holiday and that Citizens Cemetery and the City of Prescott will be 100 years old next year. There were over 3,000 flags flying at the Veterans Cemetery.

I. CONSENT AGENDA

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

- A. Approval of the minutes of the Prescott City Council meeting of a Special Meeting on May 7, 2013; Workshop of May 7, 2013; Special Meeting of May 14, 2013; and a Regular Meeting of May 14, 2013.
- B. Approval of contract with Prescott Pro Sound, LLC, in the amount of \$14,625.00 for Summer Concert Series sound reinforcement services.
- C. Authorization to purchase Microwave Communication equipment for the Airport Water Reclamation Facility in the amount of \$14,405.05.

COUNCILMAN ARNOLD MOVED TO APPROVE CONSENT AGENDA ITEM I.A. – I.C.; SECONDED BY COUNCILMAN CARLOW; PASSED UNANIMOUSLY.

II. REGULAR AGENDA

- A. Approval of License Agreement with Sturm, Ruger & Co., Inc., for use of City of Prescott property (City Contract No. 2013-191).

George Worley, Planning Manager, presented and reported that Sturm, Ruger has added 150 new employees and are requesting additional parking. The request is for City property adjacent to Ruger Road that the City is not currently using. The proposal is to install an unimproved parking area with minor improvements such as lighting and a walkway. Representatives from Ruger are available to answer any questions.

Kathy Swenson, Prescott resident, said Sturm Ruger has enough money and we are not in the business for corporate welfare.

Daniel Mattson, Prescott resident, said this is a local company employing many Prescott residents, and he approves.

Ralph Hess, Prescott resident, said he sees that this as a licensee agreement, and has not gone out to bid. He called attention to an item at the end of the agenda regarding water quality and asked how much of the expense would be assignable to Ruger. He asked why the City would grant a license for one acre of City property to a private corporation without a request for proposal.

Councilman Scamardo noted that it was a month to month lease and did not see it as corporate welfare.

Mr. Hess said that under the agreement Ruger has agreed to make improvements to the property and he saw no conditions in regard to termination. He said this is short notice and there is not time to raise questions with only three days notice about what will be on the agenda. He asked what the benefits to the citizens would be.

Councilman Blair said the land is in the flood plain that cannot be built on. This is a good use of the property.

Councilman Kuknyo said the benefit to the community is the 100 additional jobs and the additional revenue spent in our stores.

Mr. McConnell said it is city property and is unusable. This property has never been used for any other business. This is a simple, straight forward business transaction.

Mayor Kuykendall said we are taking action to approve a temporary lease for space in the flood plain.

COUNCILMAN LAMERSON MOVED TO APPROVE A LICENSE AGREEMENT WITH STURM, RUGER & CO., INC., FOR USE OF CITY PROPERTY (CITY CONTRACT NO. 2013-191); SECONDED BY COUNCILMAN CARLOW; PASSED UNANIMOUSLY.

- B. Approval of a Second Amendment to the Facilities Use Agreement between the City of Prescott and the Prescott Chamber of Commerce re property at the Rodeo Grounds (City Contract No. 2012-227A2).

Stephanie Miller, Field and Facilities Director, said this amendment will provide an extension for an additional year. The Chamber uses this building to house decorations used at the Yavapai County Courthouse at Christmas. There is no budgetary impact. Chamber representatives are available to answer questions.

Councilman Kuknyo said he would like to see a master plan for the Rodeo Grounds.

COUNCILMAN LAMERSON MOVED TO APPROVE A SECOND AMENDMENT TO THE FACILITIES USE AGREEMENT BETWEEN THE CITY OF PRESCOTT AND THE PRESCOTT CHAMBER OF COMMERCE (CITY CONTRACT NO. 2012-227A2); SECONDED BY COUNCILMAN ARNOLD; PASSED UNANIMOUSLY.

- C. Approval of a Second Supplement to the Lease and Management Agreement between the City of Prescott and Prescott Frontier Days, Inc., for use of various facilities at the Rodeo Grounds (City Contract No. 2011-323A2).

Mr. McConnell, City Manager, presented. This item is to extend the use by Frontier Days through 2017, of the Mackin Building activity room, restrooms, and Barn B through December 31, 2017. The reason for this date is that it is the Master Lease date, which is the current lease in effect with Yavapai County. Last year was the first year the Mackin Building was available. This allows for security to their tenancy. The agreement also allows alterations to the leased facilities upon prior City approval.

Councilman Kuknyo said one reason he would like to see a master plan is for people to feel like it is a permanent venue.

Stephanie Miller, Bill Oden, President and J.C. Turjillo, General Manager of Prescott Frontier Days, are available for questions.

J.C. Turjillo thanked Council and said the extension of the lease to 2017 is important to them. They want to keep Frontier Days and the Prescott Rodeo in Prescott.

Sandra Smith, Prescott resident, commented to the Rodeo people, that more handicap access needs to be made available. Mr. Turjillo replied that they will work on better accessibility.

Mr. McConnell said a master plan for the Rodeo Grounds is not in the budget this year. Discussion has to take place how to implement a master plan.

COUNCILMAN SCAMARDO MOVED TO APPROVE THE SECOND SUPPLEMENT TO THE LEASE AND MANAGEMENT AGREEMENT BETWEEN THE CITY OF PRESCOTT AND PRESCOTT FRONTIER DAYS, INC. (CITY CONTRACT NO. 2011-323A2; SECONDED BY COUNCILMAN ARNOLD; PASSED UNANIMOUSLY.

D. Approval of a Second Amendment to the Lease Agreement between the City of Prescott and the Northern Arizona Council of Governments re property at the Rodeo Grounds (City Contract No. 2919-228A2).

Stephanie Miller, Field and Facilities Director, presented and said this agreement provides a one year extension to their lease agreement to provide NACOG with a suitable location to conduct a Head Start program in Prescott. Last year we extended the agreement one year and this will extend to June of 2014. There is no cost to the community. Piper Swenson is available for questions.

Piper Swenson, Assistant Director for Head Start Program, reported they provided for 95 children to get ready for public schools. Ms. Swenson said a multiple year lease would benefit them. Mr. McConnell said the Council could extend through 2017 or approve this lease and next year extend the lease to multiple years with an escape clause.

COUNCILMAN ARNOLD MOVED TO APPROVE A SECOND AMENDMENT TO THE LEASE AGREEMENT BETWEEN THE CITY OF PRESCOTT AND THE NORTHERN ARIZONA COUNCIL OF GOVERNMENTS (CITY CONTRACT NO. 2012-228A2; SECONDED BY COUNCILMAN CARLOW; PASSED UNANIMOUSLY.

E. Adoption of Resolution No. 4170-1332 approving an Intergovernmental Agreement with the City of Phoenix for the disposition of residential recyclable materials (City Contract No. 2013-195).

At 3:42 P.M. Councilman Kuknyo declared a conflict of interest and left the dais.

Stephanie Miller, Field and Facilities Director, presented. Ms. Miller said there is a demand by our residents to recycle glass and this IGA will establish a schedule

whereby Prescott will receive a share of the revenue generated from the sale of processed materials. Staff will develop a Request for Proposal to provide this service. In the meantime we can either stay with our current provider who does not recycle glass, on a month to month contract or we can go into an IGA with the City of Phoenix to provide the recycling of glass. The term of the IGA is for one year with up to four, one year renewal periods. Under the agreement we have a maximum tonnage amount but no minimum. The increase to haul to Phoenix will be offset with revenue sharing. She noted that the two containers in the alley behind Whiskey Row are part of a pilot program.

COUNCILMAN ARNOLD MOVED TO ADOPT RESOLUTION NO. 4170-1332; SECONDED BY COUNCILMAN LAMERSON; PASSED UNANIMOUSLY.

Councilman Kuknyo returned to the dais at 3:47 P.M.

- F. Approval to purchase two (2) each Evapotranspiration Weather Centers and related Oasis system upgrades from John Deere Landscapes in an amount not to exceed \$21,797.20.

Joe Baynes, Parks and Recreation Director, presented. The hardware and software will update equipment purchased in the 1990's. The information will be used to better manage the irrigation systems in the turf areas. This is estimated to have an annual savings of up to \$8,000 a year. A representative from John Deere is available to answer questions. Mr. Baynes said the life expectancy of the equipment is 20 plus years.

Councilman Blair asked how often the equipment is checked. Mr. Baynes said it is constantly monitored.

COUNCILMAN LAMERSON MOVED TO APPROVE THE PURCHASE OF TWO (2) EACH EVAPOTRANSPIRATION WEATHER CENTERS AND RELATED OASIS SYSTEM UPGRADES FROM JOHN DEERE LANDSCAPES IN AN AMOUNT NOT TO EXCEED \$21,797.20; SECONDED BY COUNCILMAN KUKNYO; PASSED UNANIMOUSLY.

- G. Adoption of Resolution No. 4173-1335 approving an Intergovernmental Agreement with the Central Yavapai Fire District for use of Glassford Hill communications infrastructure (City Contract No. 2013-190).

Andy Reinhardt, Deputy Police Chief, presented. If approved, this will give access to the tower that the Central Yavapai Fire District (CYFD) is leasing from Intermountain Communication. The Prescott Valley tower would be the main tower and this one will provide redundancy. There is no charge to the City for the use of the tower. The agreement is for as long as CYFD has access to the sight.

COUNCILMAN KUKNYO MOVED TO ADOPT RESOLUTION NO. 4173-1335; SECONDED BY COUNCILMAN CARLOW; PASSED UNANIMOUSLY.

- H. Approval of banking services contract with Wells Fargo Bank (City Contract No. 2013-186).

Mark Woodfill, Finance Director, presented. The City goes out to bid every five to six years to make sure we keep prices current. There were five bidders, and Wells Fargo is recommended by staff.

COUNCILMAN BLAIR MOVED TO APPROVE A CONTRACT WITH WELLS FARGO BANK FOR BANKING SERVICES FOR THREE YEARS WITH THREE OPTIONAL ONE-YEAR EXTENSIONS (CITY CONTRACT NO. 2013-186), AND AUTHORIZE THE FINANCE DIRECTOR TO FINALIZE THE DOCUMENTS NECESSARY TO IMPLEMENT THE CONTRACT; SECONDED BY COUNCILMAN SCAMARDO; PASSED UNANIMOUSLY.

- I. Approval of Workers' Compensation Third Party Administrator Agreement with Berkley Risk Administrators Company through the Arizona Municipal Risk Retention Pool (City Contract No. 2013-192).

City Attorney Paladini reported that effective June 1, 2013, the City will be obtaining its property and causality insurance from the Arizona Municipal Risk Pool. All existing claims that occur before that date will be the responsibility of the City. The City is required to have a Third Party Administrator for Workers' Compensation claims through the end of May 2013. In the past, the City retained York as its claims administrator. Staff recommends that as of June 1, 2013, the City retain Berkley Risk Administration, which is a subset of the risk pool. The annual cost is \$35,000, which is less than what we paid York.

COUNCILMAN ARNOLD MOVED TO APPROVE THE CLAIM SERVICES AGREEMENT WITH BERKLEY RISK ADMINISTRATORS COMPANY IN THE ANNUAL AMOUNT OF \$35,000.00 FOR ADMINISTRATION OF PRIOR WORKERS' COMPENSATION CLAIMS (CITY CONTRACT NO. 2013-192); SECONDED BY COUNCILMAN SCAMARDO; PASSED UNANIMOUSLY.

- J. Adoption of Resolution 4167-1329 declaring City Code Title II Chapter 2-1: Public Works Department, a public record; and Adoption of Ordinance No. 4856-1313, AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, AMENDING THE PRESCOTT CITY CODE BY AMENDING CITY CODE TITLE II, CHAPTER 2-1, BY ADOPTING THE PUBLIC RECORD DOCUMENTS GENERALLY ENTITLED "CITY CODE, TITLE II, CHAPTER 2-1, PUBLIC WORKS DEPARTMENT", "CITY OF PRESCOTT LOCAL LIMITS UPDATE" AND "CITY OF PRESCOTT CHAPTER 7 ENFORCEMENT RESPONSE PLAN" AND ADOPTING PENALTIES FOR VIOLATIONS THEREOF

Mark Nietupski, Public Works Director, presented. He noted that the referenced documents are available on the City website. We have been through a very extensive process over the past 14 months. He said the City Council authorized a contract with Arcadis for the implementation of a wastewater pretreatment program. The public process began in February with a number of stakeholder meetings. The program is to comply with regulations. He pointed out commercial users are not required to get a permit at this time, and that will come to Council in the future. This is only for industrial users, of which there are five in Prescott. The Code includes various sections. There are no fees associated with wastewater treatment at this time. The effective date will be 30 days after adoption.

Mr. Nietupski said this action today will put in place a wastewater pretreatment program to put the City into compliance.

Councilman Scamardo said this occurred because of a mandate from the Environmental Protection Agency and the Arizona Department of Environmental Quality.

Councilman Arnold said commercial businesses are not going to be impacted today, and the five industrial users may or may not be impacted by this. Staff will work with the five users to make that determination. Councilman Arnold reported that Council has had many executive sessions on this subject and have met with staff many times.

COUNCILMAN ARNOLD MOVED TO **ADOPT RESOLUTION NO. 4167-1329**; SECONDED BY COUNCILMAN LAMERSON; PASSED UNANIMOUSLY.

COUNCILMAN ARNOLD MOVED TO **ADOPT ORDINANCE NO. 4856-1313**; SECONDED BY COUNCILMAN LAMERSON; PASSED UNANIMOUSLY.

K. Approval of a Consent Order from the Arizona Department of Environmental Quality for Wastewater Pretreatment Program implementation.

Mark Nietupski, Public Works Director, presented. The City, with the Council's approval, will agree to implement a wastewater pretreatment program and insure that it is in compliance with its aquifer protection permits for operating wastewater treatment facilities.

The City did receive a notice of violation in relation to fluoride in the effluent at the airport plant. The consent order requires the City, within 365 days of the effective date, to ensure that a pretreatment plan is in place and the City discharged at the airport facility is in compliance with the permit limits for fluoride. Status reports are required every 30 days to report progress to ADEQ. There are no civil penalties associated with this Consent Order.

Councilman Arnold summed it up, saying this Council has made a commitment to protect the health and safety of the Prescott residents. He said this will improve the quality of service we provide the citizens of Prescott.

Cathy Swenson, Prescott resident, said she read an article that said the quality of the water being recharged into the aquifer exceeded the milligrams per liter by 5.4 milligrams. She asked if Pure Wafer was contributing to the fluoride and how much it will cost the City to fix the problem.

Mayor Kuykendall said Pure Wafer took over Excel and they came here through the Arizona Commerce Authority. He said that at that time, everything was in full compliance.

Mr. Nietupski said there is a Development Agreement with Excel, now Pure Wafer. They made it known that there would be fluoride discharged to the City system. The discharge has fluctuated over time. The pretreatment program will rectify that situation to ensure the effluent discharge from the airport is in compliance.

Ms. Swenson asked how we could allow any company to use so much water and allow it to go out of compliance.

Mayor Kuykendall said the Council has a responsibility and is trying to stay ahead of the problem. The Council is taking drastic action. The company is working with the City hand in hand.

Councilman Blair said Pure Wafer recharges approximately 95 percent of the water they use.

Councilman Lamerson said we saved water at the time through conservation efforts which may have lead to the saturation of the remaining water. Mr. McConnell said the City has continually scrutinized new uses of water, trying to discourage consumptive use of water. This company being discussed today, does use a lot of water but very little is consumed. The City actively manages its water resources. The Consent Order sets in place a framework for resolving water quality issues as relates to discharge.

Mayor Kuykendall said no company has been singled out by ADEQ as a problem. This is an ongoing process. Mr. Nietupski said the program would have been required, regardless of the fluoride issue.

COUNCILMAN LAMERSON MOVED TO APPROVE THE ADEQ CONSENT ORDER FOR WASTEWATER PRETREATMENT PROGRAM IMPLEMENTATION; SECONDED BY COUNCILMAN ARNOLD; PASSED UNANIMOUSLY.

Mayor Kuykendall introduced Mr. and Mrs. Stonecipher. Mr. Stonecipher owner and operator of Guidance Aviation, was recognized as Small Business Man of the Year for the State of Arizona.

Mr. Stonecipher acknowledged the Council and said it is the community support that Guidance Aviation has received that makes the program work. He said they bring hundreds of families to the community. Small steps can be taken to help small businesses for the betterment of the community, he said.

L. Legislation.

Alison Zelms, Deputy City Manager, gave a brief legislative report.

III. ADJOURNMENT

There being no further business to be discussed, the Regular Voting Meeting of May 28, 2013, adjourned 4:36 P.M.

ATTEST:

MARLIN D. KUYKENDALL, Mayor

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 28th day of May, 2013. I further certify the meeting was duly called and held and that a quorum was present.

Dated this ____ day of _____, 2013.

AFFIX
CITY SEAL

LYNN MULHALL, City Clerk