

AGENDA

**PRESCOTT CITY COUNCIL
SPECIAL VOTING MEETING
TUESDAY, JULY 16, 2013
3:00 PM**

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

The following Agenda will be considered by the Prescott City Council at its **Special 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. One or more members of the Council may be attending this meeting through the use of a technological device.

- ◆ **CALL TO ORDER**
- ◆ **INTRODUCTIONS**
- ◆ **INVOCATION** Pastor Dean of Church on the Street
- ◆ **PLEDGE OF ALLEGIANCE** Mayor Kuykendall
- ◆ **ROLL CALL**

MAYOR AND CITY COUNCIL

Mayor Kuykendall
Councilman Arnold
Councilman Blair
Councilman Carlow

Councilman Kuknyo
Councilman Lamerson
Councilman Scamardo

◆ **ANNOUNCEMENTS**

I. REGULAR AGENDA

- A. Adoption of Ordinance No. 4861-1318, AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, LEVYING UPON THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE CITY OF PRESCOTT, SUBJECT TO TAXATION, A CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE REQUIRED IN THE ANNUAL

BUDGET, LESS THE AMOUNT ESTIMATED TO BE RECEIVED FROM OTHER SOURCES OF REVENUE; PROVIDING FUNDS FOR VARIOUS BOND REDEMPTIONS FOR THE PURPOSE OF PAYING INTEREST UPON BONDED INDEBTEDNESS, AND PROVIDING FUNDS FOR THE GENERAL MUNICIPAL EXPENSES, ALL FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE, 2014

RECOMMENDED ACTION: MOVE to adopt Ordinance No. 4861-1318.

- B. Adoption of Resolution No. 4191-1402 approving a Memorandum of Understanding with the Yavapai-Prescott Indian Tribe, City Contract No. 2014-002, for pass-through of Tribal-State Gaming Compact Funds to the United Firefighters Association to benefit survivors of the Granite Mountain Hotshots.

RECOMMENDED ACTION: MOVE to adopt Resolution No. 4191-1402.

II. ADJOURNMENT

EXECUTIVE SESSION

Upon a public majority vote of a quorum of the City Council, the Council may hold an executive session, which will not be open to the public, regarding any item listed on the agenda but only for the following purposes:

- (i) Discussion or consideration of personnel matters (A.R.S. §38-431.03(A)(1));
- (ii) Discussion or consideration of records exempt by law (A.R.S. §38-431.03(A)(2));
- (iii) Discussion or consultation for legal advice with the city's attorneys (A.R.S. §38-431.03(A)(3));
- (iv) Discussion or consultation with the city's attorneys regarding the city's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation, or in settlement discussions conducted in order to avoid litigation (A.R.S. §38-431.03(A)(4));
- (v) Discussion or consultation with designated representatives of the city to consider its position and instruct its representatives regarding negotiations with employee organizations (A.R.S. §38-431.03(A)(5));
- (vi) Discussion, consultation or consideration for negotiations by the city or its designated representatives with members of a tribal council, or its designated representatives, of an Indian reservation located within or adjacent to the city (A.R.S. §38-431.03(A)(6));
- (vii) Discussion or consultation with designated representatives of the city to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property (A.R.S. §38-431.03(A)(7)).

Confidentiality

Arizona statute precludes any person receiving executive session information from disclosing that information except as allowed by law. A.R.S. §38-431.03(F). Each violation of this statute is subject to a civil penalty not to exceed \$500, plus court costs and attorneys' fees. This penalty is assessed against the person who violates this statute or who knowingly aids, agrees to aid or attempts to aid another person in violating this article. The city is precluded from expending any public monies to employ or retain legal counsel to provide legal services or representation to the public body or any of its officers in any legal action commenced for violation of the statute unless City Council takes a legal action at a properly noticed open meeting to approve of such expenditures prior to incurring any such obligation or indebtedness. A.R.S. §38-431.07(A)(B).

CERTIFICATION OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Prescott City Hall on 7.11.13 at 5:00 p. m. in accordance with the statement filed by the Prescott City Council with the City Clerk.

Lynn Mulhall
Lynn Mulhall, City Clerk

COUNCIL AGENDA MEMO – July 16, 2013

DEPARTMENT: Budget and Finance

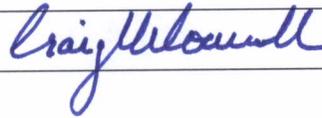
AGENDA ITEM: Adoption of Ordinance No. 4861-1318 setting the Fiscal Year 2014 City property tax levies

Approved By:

Date:

Finance Director: Mark Woodfill

City Manager: Craig McConnell



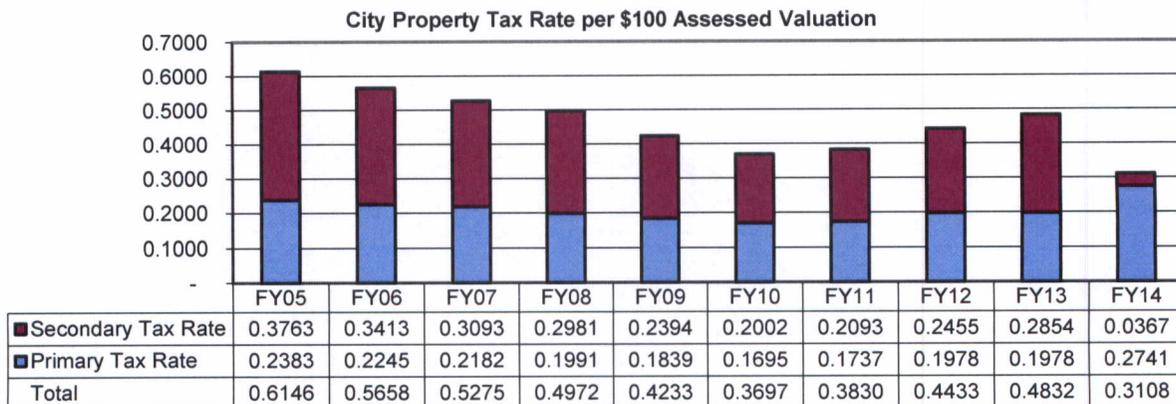
7-10-13

BACKGROUND

On June 25, 2013, the public hearing was held on the final budget, establishment of the expenditure limitation, and the City property tax levies including the Truth in Taxation notice for Fiscal Year 2014 (FY 14). After the hearing a motion was passed on the Truth in Taxation notice and the final budget was adopted, which included establishing the expenditure limitation for FY 14. State law requires that the property tax levies be adopted no earlier than fourteen days after the public hearing.

The primary tax levy for FY 14 is \$1,518,465. This amount is \$422,609 more than the primary tax levied in FY 13 which was discussed during the public hearing on June 25, 2013. Revenue from the primary property tax funds general governmental functions, but provides a minor amount of the overall cost: to place this in perspective, \$1,518,465 represents only four weeks of funding for the City's public safety operations (Police and Fire). The secondary property tax is for the retirement of debt and will be set at \$187,200. The total primary and secondary property tax levy is \$1,705,665 which is 36.4% lower than the \$2,680,831 levied in FY 13.

The City's combined tax rate for FY 14 is 0.3108 per \$100 of assessed valuation, which is 0.1724 lower than last fiscal year. For a home valued at \$200,000 in both 2012 and 2013, the combined property tax will decrease by \$34.48 to \$62.16 for the year. Property tax rates over the last 10 years are shown below.



Recommended Action: MOVE to adopt Ordinance No. 4861-1318.

ORDINANCE NO. 4861-1318

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, LEVYING UPON THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE CITY OF PRESCOTT, SUBJECT TO TAXATION, A CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE REQUIRED IN THE ANNUAL BUDGET, LESS THE AMOUNT ESTIMATED TO BE RECEIVED FROM OTHER SOURCES OF REVENUE; PROVIDING FUNDS FOR VARIOUS BOND REDEMPTIONS FOR THE PURPOSE OF PAYING INTEREST UPON BONDED INDEBTEDNESS, AND PROVIDING FUNDS FOR THE GENERAL MUNICIPAL EXPENSES, ALL FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE, 2014

RECITALS:

WHEREAS, by the provisions of State law, the ordinance levying taxes for Fiscal Year 2014 is required to be finally adopted not less than fourteen days after adoption of the annual budget; and

WHEREAS, the County of Yavapai is the assessing and collecting authority for the City of Prescott.

ENACTMENTS:

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PRESCOTT AS FOLLOWS:

SECTION 1. THAT, there is hereby levied on each one hundred dollars (\$100.00) of the assessed value of all property, both real and personal, within the corporate limits of the City of Prescott, except such property as may be by law exempt from taxation, a primary property tax rate sufficient to raise the sum of \$1,518,465.00 for the Fiscal Year ending on the 30th day of June, 2014. If such sum exceeds the maximum levy allowed by law, the Board of Supervisors or the County of Yavapai is hereby authorized to reduce the levy to the maximum amount allowed by law after providing notice to the City.

SECTION 2. THAT, in addition to the rate set in Section 1 hereof, there is hereby levied on each one hundred dollars (\$100.00) of assessed valuation of all property, both real and personal, within the corporate limits of the City of Prescott, except such property as may be by law exempt from taxation a secondary property tax rate sufficient to raise the sum of \$187,200.00, but not more than the actual general obligation bond debt service due during the year for the purpose of providing a bond interest and redemption fund for the City of Prescott for the Fiscal Year ending June 30, 2014.

SECTION 3. THAT, failure by the County official of Yavapai County, Arizona, to properly return the delinquent list, any irregularity in assessments or omissions in the same, or any irregularity in any proceedings shall not invalidate such proceedings or invalidate any title conveyed by any tax deed; failure or neglect of any officer or officers to timely perform any of the duties assigned to him or to them shall not invalidate any proceedings or any deed or sale pursuant thereto, the validity of the assessment or levy of taxes or of the judgment of sale by which the collection of the same may be enforced shall not affect the lien of the City of Prescott upon such property for the delinquent taxes unpaid thereon; overcharge as to part of the taxes or of costs shall not invalidate any proceedings for the collection of taxes or the foreclosure of the lien therefore or a sale of the property under such foreclosure; and all acts of officers de facto shall be valid as if performed by officers de jure.

SECTION 4. THAT the Clerk is hereby directed to transmit a certified copy of this ordinance to the County Assessor and the Board of Supervisors of the County of Yavapai, Arizona.

PASSED and ADOPTED by the Mayor and Council of the City of Prescott, Arizona, on this 23rd day of July, 2013.

MARLIN D. KUYKENDALL, Mayor

ATTEST:

APPROVED AS TO FORM:

LYNN MULHALL, City Clerk

JON M. PALADINI, City Attorney

COUNCIL AGENDA MEMO – July 16, 2013

DEPARTMENT: City Manager

AGENDA ITEM: Adoption of Resolution No. 4191-1402 approving a Memorandum of Understanding with the Yavapai-Prescott Indian Tribe, City Contract No. 2014-002, for pass-through of Tribal-State Gaming Compact Funds to the United Firefighters Association to benefit survivors of the Granite Mountain Hotshots

Approved By:

Date:

Finance Director: Mark Woodfill

City Manager: Craig McConnell



7-11-13

Item Summary

The 2003 Tribal-State Gaming Compact between the Yavapai-Prescott Indian Tribe (YPIT) and State of Arizona allows YPIT to make 12% of its total contributions required by the Compact to municipalities and/or counties for services which benefit the general public.

Similar to the handling of contributions made in the past, the attached Memorandum of Understanding (MOU) provides for remittance by YPIT to the City, and in turn remittance by the City of the funding received on a pass-through basis to the United Firefighters Association to benefit survivors of the Granite Mountain Hotshots.

Budget

Upon approval of the MOU and receipt of funds from YPIT, the City will remit (pass-through) the funds as specified. There will be no net financial impact to the City.

Attachments - Resolution No. 4191-1402
- Memorandum of Understanding (City Contract No. 2014-002)

Recommended Action: MOVE to adopt Resolution No. 4191-1402.

RESOLUTION NO. 4191-1402

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, TO APPROVE A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF PRESCOTT AND THE YAVAPAI-PRESCOTT INDIAN TRIBE, CITY CONTRACT NO. 2014-002, FOR PASS-THROUGH OF TRIBAL-STATE GAMING COMPACT FUNDS FOR GOVERNMENT SERVICES THAT BENEFIT THE GENERAL PUBLIC, INCLUDING PUBLIC SAFETY.

RECITALS:

WHEREAS, the City of Prescott (the "City") has the authority pursuant to its Charter, A.R.S. §9-240, §11-951 and §11-952 to enter into intergovernmental agreements ("IGA") with Indian Tribes for purposes of carrying out its responsibilities and to provide for the joint exercise of any powers common to public entities; and

WHEREAS, the above-referenced public entities desire to develop a mechanism whereby the Yavapai-Prescott Indian Tribe (the "Tribe") passes through the City a certain portion of Tribal-State Gaming Compact Funds to a charitable organization by way of an IGA; and

WHEREAS, the parties have a common objective to allow the Tribe to specifically designate its contributions to the City for particular purposes pursuant to a Memorandum of Understanding ("MOU"); and

WHEREAS, it is in the best interests of the City, and will serve the health, safety and welfare of the citizens of Prescott, to enter into an IGA with the Tribe for the above-stated purposes.

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF PRESCOTT AS FOLLOWS:

Section 1. THAT the City of Prescott hereby authorizes entering into an IGA with the Tribe to develop a mechanism whereby the Tribe passes through the City a certain portion of Tribal-State Gaming Compact Funds to a charitable organization by way of an MOU.

Section 2. THAT the Mayor and Staff are hereby authorized to execute the MOU between the City of Prescott and the aforementioned public entities and to take any and all steps deemed necessary to accomplish the above.

PASSED, APPROVED AND ADOPTED by the Mayor and Council of the City of Prescott this 16th day of July, 2013.

MARLIN D. KUYKENDALL, Mayor

ATTEST:

APPROVED AS TO FORM:

LYNN MULHALL
City Clerk

JON M. PALADINI
City Attorney

MEMORANDUM OF UNDERSTANDING
BETWEEN THE
YAVAPAI-PRESCOTT INDIAN TRIBE AND
THE CITY PRESCOTT, ARIZONA

CITY CONTRACT NO. 2014-002

This Memorandum of Understanding is entered into and is effective as of the ____ day of July, 2013, by and between the Yavapai-Prescott Indian Tribe ("Tribe"), acting through its Board of Directors, and the City of Prescott, Arizona ("City"), acting through its City Council.

RECITALS:

WHEREAS, the Tribe signed a Tribal-State Gaming Compact with the State of Arizona on May 20, 2003 ("Compact"); and

WHEREAS, Section 12 of the Compact, entitled "Payment of Regulatory Costs; Tribal Contributions," allows the Tribe to make 12% of its total contributions required by Section 12(b) of the Compact to cities, towns or counties for government services that benefit the general public, including public safety, mitigation of impacts of gaming, or promotion of commerce and economic development; and

WHEREAS, the parties have a common objective to allow the Tribe to specifically designate its contributions ("Funds") to the City for particular purposes pursuant to this Memorandum of Understanding ("MOU").

NOW, THEREFORE, in consideration of the foregoing Recitals, the Parties agree as follows:

OPERATION:

1. The Tribe shall pay a portion of its annual 12% contribution for the calendar year 20013 required under Section 12(b) of the Compact to the City. The Tribe shall make these payments in the manner and time required by Sections 12(d), (e), (f) and (g) of the Compact.

2. The Tribe shall pay the Funds to the City in amounts and on such date(s) as designated by the Tribe for the specific purpose of assisting the City with funding for the United Firefighters Association ("Recipient"). The City and the Tribe agree that the Recipient is a permitted purpose under Section 12 of the Compact. The City shall disburse the Funds to the Recipient in amounts recommended by the Tribe within 20 days of the City's receipt of the Funds from the Tribe.

3. The City understands that the Tribe cannot make the contributions for any purpose other than that permitted by the Compact. Therefore, the City must use the contribution only for the purposes stated herein. If the Recipient ceases to exist or is otherwise unable to carry out its purposes hereunder, the City shall have the authority to

determine how to use and disburse the Funds and shall notify the Tribe within fifteen (15) days of such determination and the City's use of the Funds.

4. The Tribe acknowledges and agrees that the City's sole obligation under this MOU is to distribute the Funds to the Recipient and that the City has no authority or control over how the Recipient uses the Funds. As such, so long as the City distributes the Funds pursuant to this MOU, the Tribe agrees to indemnify, defend and hold harmless the City from any claims for misappropriation, misuse or other conduct by the Recipient.

5. Any notices relating to this MOU shall be sent by U. S. Mail, postage prepaid, to the following:

Tribe:

Yavapai-Prescott Indian Tribe
ATTN: President
530 E. Merritt
Prescott, AZ 86301

The City:

City of Prescott
ATTN: Mayor
201 S Cortez Street
Prescott, AZ 86302

6. This MOU is effective on the date written on the first page and shall continue unless terminated by any party upon 30 days written notice. This MOU will terminate in the event of lack of funding by the Tribe from the operation of its Gaming Facilities, as defined by the Compact or a change in any other applicable law that no longer requires the Tribe to make such contributions. This MOU will also terminate if the Recipient ceases to exist, or is otherwise unable to carry out its purposes. This MOU may be modified or amended only by written agreement between the parties.

7. This MOU does not confer any rights or benefits on any third party, the City, the Recipient or any other distributee of the Tribe's contributions.

8. Nothing in this agreement obligates the Tribe to make (1) any current or future expenditures in advance of the availability of gaming revenues from its Class III Net Win or (2) any future contributions to the City or any of the Recipients beyond calendar year 2013, unless this MOU is extended upon written agreement by the Tribe and the City.

9. The City shall perform all services provided under this Agreement in compliance with all applicable laws and regulations of the Tribe and all federal, state and local government entities.

10. Questions relating to the validity of the MOU, its interpretation, its performance and its enforcement, shall be brought in the Yavapai-Prescott Tribal Court. All such questions shall be governed by and construed in accordance with Tribal law. In the event that there is no applicable Tribal ordinance, federal law shall apply, and in the absence of federal law, the law of the State of Arizona shall apply.

11. Nothing contained in this Agreement shall be construed as a waiver of the Tribe's sovereign immunity.

12. The City shall retain and shall require the Recipient to retain all data and records relating to the performance of this MOU, provided, however, that the City shall have no liability to the Tribe for the Recipient's failure to maintain such data or records. All such data and records shall be subject to inspection by the Tribe. Upon request, the City and/or the Recipient shall produce legible copies of any such data and records. At any time during the term of this MOU or any extensions thereof and one (1) year thereafter, the City's and/or the Recipient's books and records shall be subject to audit by the Tribe or its auditors to the extent that such books and records relate to the performance of this MOU.

13. The City shall provide to the Tribe at the end of each fiscal year either financial statements prepared in accordance with federal single audit regulations or financial statements prepared in accordance with generally accepted accounting principles, relating to the City's performance and the distribution of the Funds to the Recipient under this MOU.

DATED: _____

YAVAPAI-PRESCOTT INDIAN TRIBE

By: _____
Ernest Jones, Sr., President

By: _____
Rebecca Doka, Secretary/Treasurer

DATED: _____

CITY OF PRESCOTT

By: _____
Marlin D. Kuykendall, Mayor

By: _____
Lynn Mulhall, City Clerk

DETERMINATION OF CITY LEGAL COUNSEL

Pursuant to A.R.S. Section 11-952(D), the foregoing agreement has been reviewed by the undersigned attorney for the City of Prescott, who has determined that the agreement is in proper form and is within the powers and authority granted under the laws of this State to the City of Prescott.

Jon M. Paladini, City Attorney