

**TOWN OF PRESCOTT VALLEY  
REGULAR COUNCIL MEETING  
MINUTES  
JULY 24, 2008**

Magistrate Court/Council Chambers  
Civic Center  
7501 E. Civic Circle  
Prescott Valley, Arizona 86314

1. *CALL TO ORDER*
2. *INVOCATION*
3. *PLEDGE OF ALLEGIANCE*
4. *ROLL CALL*

The meeting was called to order by Mayor Skoog at 5:30 p.m. in the Magistrate Courtroom/Council Chambers. Pastor Troy Powers, Prescott Free Methodist Church, gave the Invocation after which a special Mayor's Recognition appreciation certificate was read and presented to Pastor Powers. The Pledge of Allegiance was said in unison as led by Pastor Powers. The following council members were present for roll call:

Harvey Skoog	Mayor
Fran Schumacher	Vice-Mayor
Harold Wise	Council member
Bob Edwards	Council member
Mike Flannery	Council member
Mary Baker	Council member
Lora Lee Nye	Council member

5. *ANNOUNCEMENTS & PRESENTATIONS*

No announcements or presentations were forthcoming.

6. *CERTIFICATES*

- a. *Certificate of Appreciation to Fred Stoneburner for five years of service*

A certificate of appreciation was presented by Mayor Skoog to Fred Stoneburner for five years of service in the Parks and Recreation department.

- b. *Certificate of Appreciation to Tracy Foundas, Library Board of Trustees*

A certificate of appreciation was presented by Mayor Skoog to Tracy Foundas, Library Board of Trustees. Several Library Board members and Council members spoke about all of the work that Tracy has done in her many years of service on the Library Board of Trustees. All wish Tracy well in her future endeavors. Tracy spoke of her many years of volunteerism and how it has helped her as a person and how the Foundation is a valuable tool to the library and Town. She thanks everyone for the opportunity to serve the Town as a volunteer.

## 7. COMMENTS/COMMUNICATIONS

No comments or communications were forthcoming.

## 8. CONSENT AGENDA

- a. *Approval of Minutes – July 10, 2008*
- b. *Liquor Licenses & Permits*
  - *Approving a new Series 9 (Liquor Store) liquor license # 09130017 for Sam's Club #4977, located at 5757 E. State Route 69; Clare Hollie Abel, applicant*
  - *Approving a new series 10 (Beer and Wine Store) liquor license #10133197 for Maverik Inc., located at 1344 N. Prescott Country Club Blvd; Lauren Kay Merrett, applicant*
- c. *Approving the new consulting services agreement with IK Consulting*
- d. *Accepting a Public Utility Easement from Fletcher Tire in the Crossroads Development, Parcel A*
- e. *Authorizing the Mayor to sign Resolution No. 1596 approving certain technical corrections and modifications to the record of assessment and warrant and to the Phase 1 assessment diagram for the Town of Prescott Valley sewer collection system-roadway repair improvement district*
- f. *Authorizing the Mayor to sign Resolution No. 1597 approving certain technical corrections and modifications to the record of assessment and warrant and to the Phase 2 assessment diagram for the Town of Prescott Valley sewer collection system-roadway repair improvement district*
- g. *Approving Departmental Monthly Statistical Reports:*
  - Community Development*
  - Library*
  - Parks and Recreation*
  - Police Department*
  - Public Works*
  - Town Clerk*
- h. *Approving the Management Services Monthly Financial Report*
- i. *Approving the Council Investment Report*
- j. *Approving Accounts Payable for July 4 through July 17, 2008*

Vice-Mayor Schumacher made the MOTION, seconded by Council member Nye, to approve the Consent Agenda as read, by electronic vote. MOTION carried with 7 ayes and 0 nays.

## 9. NEW BUSINESS

- a. *Consideration of appointing Carol Popaden to an existing term on the Library Board of Trustees with a renewal date of June 30, 2010*

Council member, Mike Flannery, reported that on June 30, 2008, three terms came up for renewal on the Library Board of Trustees. Two Library Board members served their limit of terms and on June 26<sup>th</sup>, Irene Reed was re-appointed. Kenneth Fahlman was appointed to the Library Board of Trustees on June 26<sup>th</sup> to replace Doris Beck who termed out. There is an additional vacancy on this board due to the resignation of Tracy Foundas in June.

Two applications were received for the two remaining vacancies and after being interviewed, Vice-Mayor Schumacher and Council members Flannery and Nye are recommending the appointment of Carol Popaden to replace Tracy Foundas on the Library Board of Trustees for an existing term with a renewal date of June 30, 2010. The remaining vacancy on this board will be brought before Council at the August 14 meeting.

Council member Flannery made the MOTION, seconded by Vice-Mayor Schumacher, to appoint Carol Popaden to the Library Board of Trustees to an existing term with a renewal date of June 30, 2010, by electronic vote. MOTION carried with 7 ayes and 0 nays.

*b. Consideration of adopting a Notice of Intention to make proposed revisions to Town water and wastewater rates, fees and charges and setting a public hearing for same*

Management Services Director, Bill Kauppi, stated that the Town has been providing utility services since 1993 when the first phase of the wastewater collection and treatment system was built. Attempts have been made to keep utility operation costs low by contracting with private companies to operate and maintain the utility systems. The Town has also used such means as coupon books, flat rates for wastewater service, and close coordination between the Town and the Prescott Valley Water District to obtain administrative efficiencies.

As part of its annual review process, staff reviews the Town's current water and wastewater rates, fees and charges to ensure compliance with bond covenants and whether these rates, fees and charges are in line with the Town's financial policies. The most recent changes in rates, fees and charges were approved on August 31, 2006, with an effective date of October 1, 2006.

Management Services staff has been meeting regularly to compile a revised rate study model for the combined system that starts the process towards unifying rates, fees and charges. On June 5, 2008, staff met with the Town Council in a work/study session and gave an overview of the results of said study. The next step under applicable Arizona law is for the Town Council to publicly express its intent to make the proposed revisions and to set a public hearing date. After holding a public hearing on the proposed revisions, the Council could adopt them (or any lesser increases) by resolution. Any increases become effective 30 days after adoption.

It is proposed that the Town Council publicly express its intent to potentially make the revisions to utility rates, fees and charges listed in the "Report of Proposal to Increase Certain Water and Wastewater Rates, Fees and Charges per ARS §9-511.01" that will be available for public review in the Office of the Town Clerk and the Town Manager. It is also proposed that the Council set a public hearing on these proposed revisions for its regular meeting scheduled for August 28, 2008, to consider public comments. A notice of intention will be published once at least 20 days prior to the public hearing notifying the public of this hearing. If the revisions in the Report are adopted on the same date as the public hearing, the rates would be effective with the first billing after October 1, 2008.

Vice-Mayor Schumacher asked where the citizens can obtain a copy of the water rates. The response is that the rate study is on file at the Town Clerk's office and it is also at the Town Manager's office. However, if citizens would like to contact the Management Services Director or the Utilities department, it will be available there as well. The report will also be on the website.

Town Manager, Larry Tarkowski, added that it is important to know that we will be sending out notices in the utilities billings as well.

Management Services Director, Bill Kauppi, said all details regarding the increase will be discussed in depth at the public hearing on August 28, 2008.

Council member Baker made the MOTION, seconded by Council member Nye, to adopt a Notice of Intention to make proposed revisions (including possible increases) to Town water and wastewater rates, fees and charges, and to set a public hearing on the proposal for the August 28, 2008 regular Council meeting, by electronic vote. MOTION carried with 7 ayes and 0 nays.

- c. *Consideration of authorizing the Mayor to sign Resolution No. 1593 adopting and approving a Final Development Plan for the former Town Hall complex leased by Prevent Child Abuse Arizona (FDP08-011)*

Ruth Mayday, Planner, reported that this is a request by Prevent Child Abuse Arizona (PCAA) for a Final Development Plan (FDP08-011) for a 68,890 square foot office complex for various community service agencies, located on an eight (8) acre site west of Bob Drive and south of Yavapai Road.

On September 23, 1999, the Town Council approved a Lease Agreement with what was then Prevent Child Abuse (PCA) for the former Town Hall complex which included options to apply certain of the rent payments towards purchase of some or all of the site at a future date. The site included two buildings, a parking area, and a large undeveloped area. From the outset, the concept was for PCA to eventually sublet the open space area and a commercial lease rate was to be applied to that area once tenants were found. In the meantime, PCA became solely responsible for all maintenance and repair of the site.

PCA and the Town subsequently entered into amendments of the Lease Agreement which dealt with such things as use of insurance proceeds, extensions of time to pay increased rent on the open space area, and application of credits for actual costs of long-term-value-improvements. In 2003, PCA approached the Town about potentially participating in the federal Low Income Housing Tax Credit (LIHTC) Program as a general partner in order to develop a senior housing project in the open space area. On January 11, 2007, the Council adopted Ordinance No. 672 re-zoning the entire site to Public Lands, Planned Area Development in accordance with the *General Plan 2020*.

Although it was later determined that participation in the LIHTC Program was not feasible, PCA continued to desire to provide programs and services which focused on families and their health, safety and welfare. Therefore, on August 29, 2007, PCA proposed to Town staff a commercial development in the open space area which would provide such programs and services but be self-sustaining in terms of revenue.

On October 18, 2007, the Town Council considered this revised proposal in work/study session and directed staff to begin negotiations with PCA for a revised Lease based on the proposal. That revised Lease was adopted on April 10, 2008. The leased areas were now designated the "Town Hall-Library Site" and the "Undeveloped Site". And PCA (now known as Prevent Child Abuse Arizona, or PCAA) secured preliminary financial commitments sufficient to

develop and construct two buildings on the undeveloped site and roadway and utility installations to serve the entire site based on a Phase I Plan. The Restated & Amended Lease Agreement was extended an additional 50 years to assist PCAA in obtaining financing, and the uses which may become sub-tenants to the property were more carefully spelled out. A number of other provisions desirable from a financing standpoint (e.g. limiting the Town's ability to restrict future uses, to remove subtenants, etc.) were also added.

This Final Development Plan (FDP08-011) is consistent with the Preliminary Development Plan approved by the Planning and Zoning Commission on June 12, 2006. This FDP reflects the location of building and parking for the ultimate development of the total 68,890 square foot office complex and details the first phase of development comprising 5,180 square feet. Bob Drive passes through the Town property on the east side of the project site. However, its exact boundaries have never been physically located on the parcel so a survey is being done by the Town which will define Bob Drive to prevent encroachment and allow for future development of the full cross-section.

Council member Nye made the MOTION, seconded by Vice-Mayor Schumacher, to authorize the Mayor (or, in his absence, the Vice Mayor) to sign Resolution No. 1593 adopting and approving a Final Development Plan (FDP08-011) for Prevent Child Abuse Arizona (PCAA), by electronic vote. MOTION carried with 7 ayes and 0 nays.

*d. Consideration of authorizing the Mayor to sign Resolution No. 1594 adopting and approving a Final Development Plan for the proposed new Wienerschnitzel Restaurant (FDP08-012)*

Ruth Mayday, Planner, said that this is a request by Daniel Fehr of Distinctive Homes on behalf of Taft Farmer, Developer, for approval of a Final Development Plan (FDP08-012) for the proposed Wienerschnitzel Restaurant to be located at 2544 StoneRidge Drive.

The project is comprised of a 2,641 square foot building with a 423 square foot covered drive-through and a 545 square foot patio with outdoor seating. The lot is 1 acre or 43,560 square feet, with the building, drive through and patio representing 6% lot coverage. Maximum building height is 22'8".

On November 8, 1990, Town Council adopted Ordinance 244 which annexed approximately 765 acres, including this site. At that time, the equivalent zoning was C1; Neighborhood Sales and Service.

A number of stipulations were set forth as conditions of rezoning from C1 to C2 PAD, most notably restrictions to access from StoneRidge Drive (at that time referred to as Santa Fe Loop), specific offsite improvements, engineering approvals, and landscaping requirements.

One of the stipulations was that the 20' landscaping strip along SR 69 has been reduced to 10'. As a requirement of the franchise agreement between Wienerschnitzel and the Developer, the building must be situated as indicated on the site plan, with the drive-through on the west side of the building and the patio area on the east side of the building. In order to accommodate the 20 foot requirement, the developer would have to acquire the lot immediately to the north of the subject parcel and shift traffic lanes onto that parcel. Requiring the acquisition of that parcel to meet the landscape requirement would place an undue financial burden on the

developer. Furthermore, as outlined in Article 13-19-020, the purpose of the Planned Area Development (PAD) designation is to establish procedures that would reduce inequities and to permit flexibility in design. Section 13-19-060 (M) grants Town Council the authority to waive any pre-existing zoning regulations where there exist unusual conditions relating to the property, if the waiver does not adversely affect the intent and purpose of the Comprehensive Plan or surrounding property. Staff finds that waiving the requirement set forth in Ordinance 427 mandating a 20 foot landscaping strip along SR 69 and instead requiring a 10 foot landscaping strip neither adversely affects the intent and purpose of the Comprehensive Plan, nor does it adversely affect the surrounding properties.

The developers stated that they anticipate opening the restaurant some time in December or January.

Council member Edwards asked about the seating capacity. The response was 63 seats inside and outside seats total 16.

Council member Wise asked if this establishment will be co-branded Wienerschnitzel and Tastee Freez. The response was that it will be Wienerschnitzel featuring Tastee Freez ice cream.

Vice-Mayor Schumacher made the MOTION, seconded by Council member Edwards, to authorize the Mayor (or, in his absence, the Vice Mayor) to sign Resolution No. 1594 adopting and approving a Final Development Plan (FDP08-012), by electronic vote. MOTION carried with 7 ayes and 0 nays.

- e. Consideration of authorizing the Mayor to sign Resolution No. 1595 adopting and approving a Final Development Plan for the new Pony Espresso Coffee House (FDP08-013)*

Planner, Ruth Mayday, reported that this is a request by Tom Shoemaker, Agent, to approve a Final Development Plan (FDP08-013) for a portion of the property owned by Prescott Valley Medical Plaza, LLC. The Proposed FDP would allow for the development of the existing structure and improve the parking area immediately behind it.

The subject property was previously rezoned (ZMC05-008) from various district designations to C1-PAD with the intent to remove all existing structures and develop a 2-story medical office building. At that time, uses were restricted to business and professional offices as stipulated in Ordinance No. 649. Town Council also approved Resolution No. 1439 for a Final Development Plan (FDP06-015) on June 8, 2006, which reflected the medical office use. As that use did not move forward, the owners requested an amendment to the conditions outlined in the initial rezoning (ZMC05-008) and revising both the original Preliminary Development Plan and Final Development Plan (FDP06-015).

At the June 12, 2008 meeting of Town Council, ZMC08-001 was presented amending the stipulations to allow Retail Sales and Service uses previously excluded under Ordinance 649. As a part of the Zoning Map Change, a new Preliminary Development Plan (PDP08-001) was presented which identified the specific areas where C1 Retail Sales and Service uses would be allowed, subject to certain on-site improvements for parking and access based on the increase of intensity of the uses.

Council is now being asked to approve FDP08-013, which would allow improvements to approximately 18,000 square feet at the southernmost end of the property, encompassing Lot 247 of the Original Plat of Unit 1, and Lot 3819 of the Original Plat of Unit 13. The proposed use as a coffee house is appropriate for the existing zoning and is in keeping with the Community Commercial land use designation found in the *General Plan 2020*. The Final Development Plan as submitted complies with or will comply with all stipulations set forth in Ordinance 649 and Ordinance 716, as well as other relevant Resolutions.

Vice-Mayor Schumacher and Council member Wise asked if this coffee house would have a drive-through. The response was that there had been talk of a kiosk but because of issues with Florentine Road, it will not be happening at this time.

Council member Flannery made the MOTION, seconded by Council member Nye, to approve Resolution No. 1595 adopting FDP08-013, by electronic vote. MOTION carried with 7 ayes and 0 nays.

- f. Consideration of authorizing the Mayor to sign an Intergovernmental Agreement with Yavapai County and the Yavapai County Sheriff's Office to establish the term and conditions for joint use of the County's new Driving Track Facility commencing August 1, 2008*

Commander Laura Molinaro, reported that there has been a long-standing need for a driving track in northern Arizona. Law Enforcement in the northern Arizona region has had to travel to the Phoenix area to train on a driving track for many years. In the last two years, efforts have been made to build a regional track that would be open to all law enforcement agencies and other municipal employees that routinely drive vehicles as part of their job requirements. This concept came to fruition through funding by AZPOST and regional law enforcement agency cooperation. Yavapai County and YCSO donated land to build the track and have spearheaded the effort to construct an operational driving/training track.

An Intergovernmental Agreement (IGA) is now proposed to formalize an agreement with YCSO to allow officers and other personnel from other agencies to be trained in emergency driving techniques and then practice those principles in a controlled, safe environment. It is anticipated that participation in such an IGA will allow the Prescott Valley Police Department and other Town departments to improve the quality of training and to train on a regular schedule to further improve the skills of operators of Town vehicles.

The first in-service training for the Prescott Valley Police Department will be on August 20. There is an opportunity to have ongoing training on a regular basis, which is extremely important for a high-liability skill for the officers.

Council member Flannery asked if there will be any classroom use at this driving facility. The response was that for police academy driver training there is some in-class information and instruction before they actually drive. He continued to say that this is an absolute win-win situation.

Council member Wise stated that the other positive aspect of having this track in Prescott Valley is the varied weather conditions.

Council member Wise made the MOTION, seconded by Council member Baker, to approve an Intergovernmental Agreement with Yavapai County and Yavapai County Sheriff's Office to establish terms and conditions for use of the County's Driving Track Facility, by electronic vote. MOTION carried with 7 ayes and 0 nays.

9. COMMENTS FROM THE PUBLIC

No comments were forthcoming.

11. ADJOURNMENT

Council member Nye made the MOTION, seconded by Vice-Mayor Schumacher, to adjourn the meeting, by electronic vote. MOTION carried with 7 ayes and 0 nays. Mayor Skoog adjourned the meeting at 6:34 p.m.

ATTEST:

APPROVED:

\_\_\_\_\_  
Diane Russell, Town Clerk

\_\_\_\_\_  
Harvey Skoog, Mayor

STATE OF ARIZONA)  
COUNTY OF YAVAPAI) ss:  
TOWN OF PRESCOTT VALLEY)

CERTIFICATE OF COUNCIL MINUTES

I, Candice McElhaney, Deputy Town Clerk of the Town of Prescott Valley, Arizona, hereby certify that the foregoing minutes are a true and correct copy of the Minutes of the Regular Meeting of the Town Council of the Town of Prescott Valley, held on Thursday, July 24, 2008.

I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 1<sup>st</sup> day of August, 2008

\_\_\_\_\_  
Candice McElhaney, Deputy Town Clerk