

**TOWN OF PRESCOTT VALLEY
WORK STUDY MEETING
MINUTES
February 7, 2013**

Library Auditorium
7401 E. Civic Circle
Prescott Valley, Arizona 86314

1. Call to Order

Vice Mayor Tjiema called the meeting to order at 6:00 p.m.

2. Roll Call

Present: Council Member Whiting, Council Member Lasker, Council Member Mallory, Council Member Nye, Council Member Anderson, and Vice Mayor Tjiema.

Absent: Mayor Skoog

3. Management Services Mid-Year Financial Review

Management Services Director Bill Kauppi presented a mid-year financial review. Bill showed the actual revenue and expense figures from July to December 2012. General Funds show about 5 percent ahead of last year and he predicts it will we end up about 2 percent ahead by the end of the fiscal year. He showed various charts of funds that are showing upward trends including sales tax revenues, state shared revenues and building permits. Fines and forfeitures are down by about \$70,000 since last year, which is mostly from a decline in photo radar fines. Sales taxes are showing an upward trend and are almost up to 2009 numbers. Construction is down slightly but they are hopeful it will pick up throughout the rest of the year.

Expenditures are showing less than 50 percent and we are right on target for what has been budgeted. Comparing expenditures to revenues leaves a deficit of \$3.4 million, but he projects we will come in at less than that figure.

HURF fund is doing well overall and is close to coming out of deficit spending. Next budget year should see HURF funds with no deficit.

Permits and Impact fees are surpassing 2008 at this point, so it is a good sign.

Wastewater funds should surpass last year's fees of \$4.5 million; it looks very strong.

Outstanding debt is down to \$91 million instead of being over \$100 million last year. He pointed out that they use other resources with the bonds to reduce debt before using the general fund.

2015 is the last year of phase 2 special assessments.

All the Capital Improvements have their own revenue streams; they do not come from the General Fund.

Council member Whiting commented that he is encouraged to see upward trends in all areas of revenues.

Council member Nye said she is very pleased how well we have managed our debt.

Council member Mallory agrees about the debt reduction and she is very encouraged by the numbers Bill presented.

Council member Anderson commented about photo radar. It is working with injury accidents down 30 percent and the revenues from fines are down because people know to slow down where the vans are located. It may be irritating a lot of people but it is working.

Vice Mayor Tjiema added that Bill has done an excellent job with the budget and thanked him for the presentation.

No action was taken.

4. Traffic Count Program Review

Public Works Operations Manager Ken Stanton showed the results of the traffic count program that was conducted for four weeks in October and November. They use an outside consulting firm to conduct the count as it most cost effective and efficient. The data collected helps determine future road construction needs and provides information about traffic patterns and traffic control systems. The commercial developers use the traffic numbers to know where to locate new businesses. The new technology uses volume and speed counts. It can tell what type of vehicle has passed over the tube, such as a car, truck or bicycle. Ken showed several charts and maps and highlighted the major roadways. An example of Glassford Hill Road counted 21,000 cars in 24 hours compared to 5,900 cars in 1996. They have history of all the roads that have been counted over the years. The busiest intersection in town is on Glassford Hill Road by the high school where there are over 25,000 cars per day. Ken was surprised by substantial drops of traffic from previous counts on streets like Robert and Spouse but realized that Fain Road has taken on more traffic since it was completed.

Council member Whiting asked Ken to comment on speed limits. Ken said the state basically determines the speed limits but the town can vary them if needed. The last speed study was in 2005 and he feels we are still in good shape.

Town Manager Larry Tarkowski added that the speed study was done prior to photo radar. He asked Ken if he felt we were at capacity at any roads in town. Ken responded that we have no problem areas regarding capacity.

No action was taken.

5. Discussion regarding Enterprise Parkway - Gift Deed for Right of Way dedication from Fain Signature Group

Deputy Public Works Director Boyd Robertson showed slides of the Enterprise Parkway section of roadway. It is a 3 lane 800 foot section that will be used for future development. It was built in 2006-07 but was not dedicated. There will be no expense other than the recording fees for the gift deed. Fain Signature Group paid for the construction. Eventually the plans will be to connect to Enterprise Parkway to extend it to Highway 69.

Tarkowski added that the town had sought grants to build a signaled intersection at Highway 69 and the Enterprise Parkway extension but was unsuccessful in obtaining the grants. Council member Lasker added that the economic development of the area would bring jobs to town.

The item will be placed on the consent agenda at the next council meeting.

No action was taken.

6. Discussion regarding SR 89A & Robert Road Intersection-Mayor's letter of support to CYMPO

Public Works Director Norm Davis spoke about regional road planning with CYMPO and ADOT. The current SR 89A/Robert Road 'at-grade' signalized intersection is a "bottleneck" and causes challenges for safety and mobility for SR 89A. A Letter of Support from Town of Prescott Valley Council to CYMPO Executive Board would help emphasize the immediate need for ADOT to continue efforts toward construction of a 'grade separated' traffic interchange.

Vice Mayor Tjiema noted that there was a recent fatality at the intersection. For the safety of our citizens we need to ask that the intersection be upgraded.

Davis noted that the General Plan 2025 has provisions for the regional highway 89A widening to create the highest design standard as the town grows. Staff recommends bringing the item to council for consideration next week.

No action was taken.

7. Discussion regarding In-Kind Service Agreement with Black & Veatch for the Wastewater Treatment Plant

Utilities Director Neil Wadsworth presented the In-Kind Service Agreement with Black and Veatch for services at the Wastewater Treatment Plant.

His RFCA gave the following specific information:

"Black & Veatch (B&V) designed the Phase III Wastewater Treatment Plant Expansion, which was constructed under a separate construction contract by Fann Contracting and completed in May of 2007. Subsequently, plant personnel experienced difficulties with the plant not being able to meet its discharge permit requirements as it related to nitrogen. Over the next two years, Black and Veatch, OMI and Town personnel worked together to determine the cause of the problem. Countless hours were spent taking and analyzing samples, evaluating operating conditions, making operational changes and performing stress testing on the plant. This work resulted in a determination that additional anoxic (low oxygen) basin capacity would be needed to allow the plant to properly de-nitrify the wastewater. Operational testing confirmed that the additional anoxic capacity could be obtained by converting some of the aerobic (with oxygen) basins to anoxic basins, and stress testing confirmed that this change would not impact the ability of the treatment plant to meet its permit limits at the full flow hydraulic capacity of 3.75 million gallons per day.

To address this problem the Town reached an agreement with B&V whereby they paid for and constructed permanent modifications to the plant, valued at approximately \$40,000. In addition, B&V would provide a credit to the Town in the form of 'in-kind' engineering services valued at \$41,486.10 for laboratory analysis costs previously paid by the Town while assisting with identifying the problem. That Modification Agreement was approved by Council on June 23, 2011; however, the scope of the 'in-kind' services was not specified and was to be identified at a later date, prior to June 2013.

The In-Kind Services Agreement now defines the work B&V will do to complete its obligations under the previous Modification Agreement. The work will consist of a Local Limits Study for the Town. Local limits provide limitations or prohibitions on what can be discharged to the sanitary sewer and wastewater treatment plant by commercial and industrial customers. The Town's existing limits have not been updated in more than 20 years.

The work will provide an evaluation of current loadings to the wastewater treatment plant, the ability of the plant to treat the loadings, and impacts to the collection system, treatment facility and the environment. The Scope of Services for this project will include evaluating; total kjeldahl nitrogen, nitrate-nitrate nitrogen, ammonia, total suspended solids, BOD5, fluoride, total phosphorus, oil and grease, total dissolved solids, pH, total arsenic, total cadmium, total chromium, chromium 6+, total copper, total cyanide, total lead, total nickel, total zinc, total mercury, total silver, molybdenum and selenium.

The 'in-kind' (engineering) services will be provided at no cost to the Town, however, costs for laboratory services estimated at about \$15,000 will be paid by the Town to a third party laboratory through our operations and maintenance contract with CH2MHill." (end of RFCA)

Wadsworth added that the findings from Black & Veatch will enable recommendations with a technical basis for future local limits to give ADEQ. Neil asked council if they had any questions.

Council member Nye commented that Neil must be taking the \$15,000 in costs from somewhere else in his budget. He responded that he had some extra monies that were allocated for permit fees to ADEQ that have been dropped and some other areas where he can realize some savings. Council member Mallory feels this in-kind agreement is fabulous. She is glad we will get an up to date report that will be useful to the town.

Council member Whiting asked Neil if there was a schedule when this testing should be done, like a yearly test. Neil responded that when the town reaches 5 million gallons per day they will be required to do an official sanctioned pre-treatment program, and when that happens we'd probably have to do it about every 5 years.

The agreement will be brought forth for a vote at the next regular council meeting.

No action was taken.

8. Adjournment

Vice Mayor Tjiema adjourned the meeting at 7:07p.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, June Catanzarite, 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 Work Study Meeting of the Town Council of the Town of Prescott Valley, held on Thursday, February 7, 2013.

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

Dated February 11, 2013

June Catanzarite, Deputy Town Clerk