

**TOWN OF PRESCOTT VALLEY
REGULAR COUNCIL MEETING
MINUTES
November 21, 2013**

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

1. SNOW READINESS RALLY 5:15 P.M (LIBRARY PARKING LOT)

2. CALL TO ORDER (LIBRARY AUDITORIUM)

Mayor Skoog called the meeting to order at 5:30 p.m.

3. INVOCATION - Pastor Joe Phillips of New Life Ministries

Pastor Phillips gave the Invocation.

4. PLEDGE OF ALLEGIANCE

Council member Marshall led in the recitation of the Pledge of Allegiance.

5. ROLL CALL

Present: Council Member Grossman, Mayor Skoog, Council Member Marshall, Council Member Mallory, Vice Mayor Nye, Council Member Anderson, and Council Member Whiting.

Mayor Skoog introduced and welcomed new Police Chief Bryan Jarrell.

6. CITIZENS ACADEMY GRADUATION

Deputy Town Manager Ryan Judy introduced the graduates of the 16th Citizens Academy class of 28 students graduating this evening. Each member came forward to be congratulated by the Mayor and Council and be presented with a Certificate of Graduation.

7. RECESS

Mayor Skoog called for a brief recess for refreshments at 5:40 p.m.

8. RECONVENE

Mayor Skoog reconvened the meeting at 5:51 p.m.

NEW BUSINESS

Mayor Skoog requested Council's concurrence to move item 13. (j) on the agenda forward for discussion at this time. Council members had no objection to doing so.

j. For discussion only - Infrastructure Improvements Plan (IIP) & Land Use Assumptions

Mr. Rick Giardina Executive Vice President of Raftelis Financial Consultants, Inc. said that Development Impact Fees (DIF) are a one-time charge assessed to new development when a building permit is issued. Prior to ARS 9-463.05 legislation, we had legislation that wasn't as rigorous or stringent as it is now. DIF fees are a critical funding source when it comes to expanding services because of new development, although they may not fully fund them. Under statute it requires two things: the development of a.) land use assumptions and b.) an infrastructure improvement plan used to determine the fee.

Certain types of fees are no longer allowed i.e. general government facilities. Fees collected must be spent within a certain timeframe and so when we develop the plan we want to be certain about the projects we are going to undertake. If we have doubts as to whether we will pursue a project in a time frame, we want to put that on the back burner until we update it because we will be subject to refund if we don't spend the money as intended within that time frame. Our subject tonight prohibits certain types of fees, limits types of infrastructure improvements recovered via fees, requires fees to be spend within a specific time frame and for the intended project. The legislation mandates that you go through period review and even biannual audits. Fees charged must be a reflection of the services to be developed. Residential and nonresidential customers must be treated alike. "Equivalent Dwelling Unit (EDU) is used as a measure of growth and infrastructure capacity.

November 22, 2013 - tomorrow starts the clock ticking with the release of the Draft Land Use Assumption and Infrastructure Improvements Plan reports. A notice of Public Comment, then public hearings begin and then a fee is calculated. The fee signifies the maximum amount the Town of Prescott Valley could charge under statute. Giardina stated that without going through this process, the Town would not be able to charge fees which would be suspended beyond August 1 next year. Every other community in Arizona that wants to have fees in effect is also going through this process. August 1, 2014, the new development impact fees become effective.

Current development impact fees adopted in December 2011 via Resolution No. 1775 include projects for circulation (roadways), public safety (police), parks and the Library. An overview of land use assumptions identifies existing and future demand metrics projected from population information that will be used to quantify capital facilities needed to provide service at that level. These fees create a vital funding source for the community with the rigor and timeframe being the biggest impacts on Prescott Valley putting us on a more specified track. Deputy Town Manager Ryan Judy thanked Rick, his partner John Wright, and Kim Moon for pulling this all together.

9. *SCHEDULED ANNOUNCEMENTS & PRESENTATIONS*

c. *Student of the Month Kylie Morris*

Each month the Prescott Valley Rotary Club, in collaboration with Bradshaw Mountain High School, honor outstanding students that excel in community involvement, activities, academics and leadership skills. This honor is presented because the student was nominated and recommended by the Principal and Administrative Staff and Instructors at Bradshaw Mtn. High School. Council member Whiting representing the Rotary Club, and Kort Miner Bradshaw Mtn. High School Principal, introduced Kylie Morris who is on the Principal's list, earned academic letter, is a member of the National Honor Society, is in basketball, volleyball and on the track team, President of the Math Club and VP of the Future Health Professionals Organization, and is a Yavapai College student.

Principal Kort Miner said Kylie is a well-rounded student. She lettered in basketball and volleyball and track and field over the last three to four years. She volunteers for the 'Buddies Program' with special education students. During 'Read Across America' last year, she went to the elementary schools reading to the students. She is extremely involved in activities both on and off campus. Kylie maintains a 4.103 GPA and is currently ranked 18th out of a class of 358 students. Kylie was presented with a certificate as Student of the Month and a paperweight. Kylie thanked the Mayor and Council, family and Mr. Miner for the recognition.

a. *Snow Readiness Plan*

Public Works Director Norm Davis said they rolled out their snow equipment tonight at a rally to show the equipment as road ready for a snow event this winter. Davis shared the Community Response Plan prepared by the department which is updated each year. Davis stated that the Public Works Department works closely with the police department for public safety in case of a snow event. The PD keeps them informed about snowfall levels and emergency situations. Ken Stanton and Greg Bryan were thanked for pulling the rally together.

b. *Comprehensive Annual Financial Report for FY 2012-2013*

Finance Manager Heidi Derryberry introduced Jill Shaw (Heinfeld & Meech external auditor). Shaw commented that they have been doing the audits for the Town for the last four years. These audits are unmodified opinions (clean opinions) for both the Town and CFDs. Each year they rotate which federal programs they are going to look at. This year they focused on the CDBG grants and Edward Burns PVPD grant programs with no findings against control and compliance. They issued a 'management letter' which are less severe in nature, but are a good tool for Finance to go out to other departments with any notations. The Magistrate Court was also audited as required every three years by the Supreme Court. They had a couple of recommendations as a result of that review. The Expenditure Limitation Report showed that expenditures were in accordance within voter approved limits. She suggested everyone read the Management Discussion and Analysis on page 11 which gives good highlights for the year

compared to the prior year. The audited Financial Statements are the same as the numbers in the Town's General Ledger. No adjustments were made this year. The Notes to the Financial Statement details the numbers behind the Financial Statement. The Statistical section reveals a 10-year trend of revenues, water accounts etc. The Town had \$218 million in net assets at the end of the year which was less than a one percent change from last year. The majority of it is invested in capital assets. \$16 million of it is unrestricted assets which can be used to meet ongoing Town obligations. The General Fund Account had an unassigned fund balance or unrestricted balance of \$7.3 million which was a dip this year. The budget still came in \$2 million lower than what was budgeted. The Town was able to meet all of the stabilization. Two good things came from this – one, the Town reduced debt service by \$8.5 million by refunding the StoneRidge CFD debt for a net savings of \$1.8 million. Then two, the General Fund was under budget.

Council member Whiting said the CAFR is a good tool for the residents of the community as to how the funds are received and put to use. It is good to hear we are within the confines of the federal and state limits. We thank our management and finance department for keeping us financially stable the last few years. Vice Mayor Nye added that we celebrate that we came in under budget and that there were no findings.

d. Chamber of Commerce

Chamber CEO Marnie Uhl introduced and thanked the volunteers at the Chamber of Commerce. Present were Cal Wilahan, Jan Underjohn, Bill Grose, Mary Jo Hulse, John Agan and Bob and Devona Pace. Each volunteer came forward to tell a little bit about themselves and the services they provide at the Chamber. Uhl also thanked Bev and Gloria who work in her office.

She announced the Flying High Turkey Drive at the Prescott Valley Fry's 12-6:00 p.m. on Monday with a goal to collect 2,500 turkeys between the Prescott Valley and Prescott stores to benefit the Yavapai Food Bank.

The Valley of Lights opens on Thanksgiving night. Uhl thanked the Public Works guys for assisting in putting up the lights.

The Early Bird Lions Club will be selling Christmas trees on the lot in front of the Tim's Toyota Center beginning on November 30th. All money goes to sight examinations, eye glasses and hearing tests for those who cannot afford it. December 6th is the Holiday Festival of Lights parade at the Civic Center.

10. COMMENTS/COMMUNICATIONS

Council member Anderson said the Veterans Resource Center funds homeless veterans or veterans that need assistance with utilities or rent/mortgage payments. He encourages anyone who knows a veteran who needs help to contact them for help. They are having a hard time finding people to give the money out to.

Town Manager Larry Tarkowski welcomed Brianna Lonas now with the PV Tribune newspaper – a former employee of the Town. Lonas said she has been with the Tribune about two weeks now.

Tarkowski said that at the PVEDF breakfast this morning an announcement was made that the Town and PVEDF has been successful with a grant application for economic development in rural Arizona in the amount of \$500,000. The monies will be used for the construction of Enterprise Parkway connecting to SR69 in order to meet Council's priority of job creation by making the Big Sky Industrial Park more attractive and accessible to business.

11. CONSENT AGENDA

- a. Approving the November 7, 2013 minutes*
- b. Approving the transfer of \$10,000.00 from the General Fund contingency account to the PVPD Dispatch line item account (101-6110-621-3820)*
- c. Accepting the Comprehensive Annual Financial Report (CAFR) for the Town of Prescott Valley for FY 2012-2013*
- d. Financial Report*
- e. Investment Report*
- f. Quarterly Tax Report*
- g. Approving Accounts Payable for October 29 thru November 12, 2013*
- h. Department Monthly Reports*

Council Member Marshall made the MOTION, seconded by Council Member Grossman, to approve all items listed on the consent agenda, by electronic vote. MOTION carried with 7 ayes and 0 nays.

12. OLD BUSINESS (FOR ACTION)

- a. Consideration of approving the second reading and passage of Ordinance No. 779 repealing section 10-01-040 False Alarms of Article 10-01 Offenses and amending Article 10-05 "Reserved" and adopting by reference document "Article 10-05 Alarm Systems"*

Town Clerk Diane Russell read the ordinance for the second reading. Mayor Skoog asked "Shall the Ordinance Pass? The ordinance passed with 7 ayes and 0 nays.

- b. Consideration of approving the second reading and passage of Ordinance No. 780 amending Section 13-27-060 "Fees and Charges" in Article 13-27 "Enforcement" of the Town Code to revise certain fees to more closely correspond to current costs of providing copies of the current General Plan 2025 (ZOA13-005)

Town Clerk Diane Russell read the ordinance for the second reading. Mayor Skoog asked "Shall the Ordinance Pass? The ordinance passed with 7 ayes and 0 nays.

- c. Consideration of reading Ordinance No. 781 by title only for the second reading and then putting the same on final passage approving a zoning map change for the Sungate Senior Community III (ZMC 13-002)

This item was pulled and will be rescheduled at a later date.

13. NEW BUSINESS (FOR REVIEW, COMMENT, AND/OR POSSIBLE ACTION)

- a. Public Hearing - Proposed annexation of approximately one hundred thirty five (135) acres in Prescott Country Club (ANX13-002)

Mayor Skoog opened the public hearing.

Com Dev Director Richard Parker said they have a request for annexation of approximately 135 acres in Prescott Country Club from various owners of property in the defined boundaries who are also members of the Tapadero Wastewater Improvement District along with owners of the Prescott Country Club Golf Course. The subject property is generally located west of the intersection of State Route 69 and Fain Road in the Dewey area. Should the property be annexed, similar zoning of R2-PAD would be adopted by the Town of Prescott Valley.

This proposed action to annex these properties into the Town limits follows approval by the Town Council of an MOU with the Board of Directors of the Tapadero Waste Water Disposal District to allow users of the private system to hook into the Town's Regional Wastewater Collection and Treatment System.

Requisite petitions have been filed with Yavapai County.

Public Comments:

1. Shirley Morada said she lives in front of Tapadero and Manzanita and asked how will this sewer come in and out of Prescott Country Club?

Parker said an existing sewer line runs down Tapadero to the Country Club. A sewer line runs along the golf course side of Tapadero down to Manzanita then intersects a future intersection point at the Prescott Country Club and Manzanita. At that point it runs under the Prescott Country Club Blvd. to an open field where there used to be a large billboard adjacent to a local restaurant where the current treatment plant is located. What is proposed is that the TWWID initiative and dollars will construct 300 feet of sewer main to intersect with the town's wastewater sewer system via the same line.

Parker said the old line will still be operated by the TWWID and will not be owned or operated by the Town of Prescott Valley until it is brought up to the Town's standards. The line is still functional according to Parker although some repairs will be made by the District to the line before sewage is brought to the Town. Mrs. Morada expressed concerns about repairs to the line as it goes right by her house. Parker stated that the Town's public line is downstream from Mrs. Morada's home.

Council member Whiting mentioned that this has been reviewed several times. There is great collaboration between the Town and District and he is looking forward to integrating them into the system.

2. Bob Darnell lives on Manzanita and wants to know why it is necessary to annex the PCC as this is just 300 feet of existing pipe?

Parker said it has been a long standing policy of the Council that you don't receive municipal services without being a resident of the Town. In keeping with that policy it becomes necessary to annex to deliver those services. The owners in the affected annexation have requested that they avail themselves to sanitary sewer and the only way they can attain sanitary sewer is by annexation to the Town of Prescott Valley. There is no other regional system available to them. State laws also dictate that the depth and width or configuration of annexed properties which are closely followed to ensure that the annexation is contiguous to the Town and we enter the annexation at the proper width in order to meet state law. It would have been impossible to come to the right of Prescott Country Club Blvd. turn right on Manzanita and turn left on Tapadero as they would have run afoul of state law. The annexation is a larger geographic area to meet those state law standards. No property owners who have not requested annexation to the Town are being considered for the action.

3. Dale Berrybrunk asked what services will be provided by the Town other than sewer?

Parker responded that all the services that are provided to the Town residents will be provided to them after annexation to the Town (police, zoning, code enforcement etc.). Mayor Skoog said this action will be a benefit to both the Prescott Country Club and Town of Prescott Valley.

No additional comments were forthcoming. Mayor Skoog closed the public hearing.

- b. Consideration of authorizing the Mayor to sign Resolution No. 1857 adopting a Final Development Plan for Sungate Villas & View Point Communities (FDP13-013)

This item was pulled and will be rescheduled at a later date.

- c. Consideration of approving the purchase of the NewTek Tricaster 860 and complete the associated budget transfers (Management PV15)

Deputy Town Manager Ryan Judy said the Tricaster (main production unit) failed in Channel 15. Internal fixes did not work. The old one is beyond warranty and out of service. It will cost \$25,000 to purchase an equivalent unit with a couple of other pieces and training for the system.

Judy responded to Council member Whiting that it is a new equivalent replacement unit for the existing Tricaster. Judy responded to Council member Marshall that there are other options available, but this is one brand they are familiar with.

Vice Mayor Nye made the MOTION, seconded by Council Member Mallory, to approve the purchase of a NewTek Tricaster 860 through the associated budget transfers, by electronic vote. MOTION carried with 7 ayes and 0 nays.

d. Consideration of approving an agreement with Granite Basin Engineering, Inc. to provide professional engineering design and construction administration services in the amount of \$20,310 for the Durham Road (PCC) Water Line Project, CIP # W360

Utilities Director Neil Wadsworth said they will be doing some small water system improvements down by Prescott Country Club by bringing in a second line to tie in with the east side and establish some redundancy in the system.

Council member Whiting said based on past experiences it is great to have redundancy in the system available. Good that we are planning ahead.

Council Member Whiting made the MOTION, seconded by Council Member Grossman, to approve this Agreement with Granite Basin Engineering, Inc. to provide professional engineering design and construction administration services in the amount of \$20,310.00 for the Durham Road (PCC) Water Line Project, CIP # W360, by electronic vote. MOTION carried with 7 ayes and 0 nays.

e. Consideration of approving the purchase of leak detection equipment in the amount of \$68,821.61

Utility Director Neil Wadsworth said ADOR requires the Town stay below a ten (10) percent water loss or unaccounted for water loss for each year. The Town has been hovering around that for a few years now. A few years ago they put new meters on the wells to track water pumped. Indications are we have unaccounted for or lost water. To address water leakage staff proposed the purchase of 20 devices that sit on top of the valve and listen to the water flow for a period of time and indicate where the undetected leaks are and size of leak. The devices also interface with the radio read meter system. Once a leak is determined they can dig at the location and make the repairs. The devices will be rotated weekly around the system for detection purposes. Every one (1) percent of water loss is about an \$11,000 cost in power which is an \$110,000 loss per year. This purchase is a good way to conserve water. The expected live span of the equipment should be at least 10 years. The software will probably have to be updated periodically though. A two (2) percent reduction is possible the first year according to Wadsworth.

Council Member Mallory made the MOTION, seconded by Council Member Marshall, to approve the purchase of Leak Detection equipment per the attached Utiliuse quote in the amount of \$68,821.61 as outlined in the Fiscal Analysis, by electronic vote. MOTION carried with 7 ayes and 0 nays.

f. Consideration of approving an agreement with AOT Public Safety Corporation for False Alarm Control & Management

Interim Police Chief James Edelstein said there will not be any fiscal impact to the Town. AOT has a history of providing these services to public safety organizations. Through outsourcing, we do not need to hire personnel or build infrastructure. Edelstein will act as the Chief's designated False Alarm Administrator for the Town and the contact with the AOT Corp. should Council approve the contract. Income to the town is expected to be about \$4,000 - \$6,000 annually from the assessments which is above and beyond our cost recovery based on the cost-sharing model. AOT will administer the code for the Town and has mastered the process. The City of Avondale has done this and is pleased with the service they receive.

Vice Mayor Nye said we have already learned the value of outsourcing.

Vice Mayor Nye made the MOTION, seconded by Council Member Anderson, to approve the Agreement with AOT Public Safety Corporation, by electronic vote. MOTION carried with 7 ayes and 0 nays.

g. Consideration of authorizing the Mayor to sign Resolution No. 1855 accepting a \$25,000 Governor's Office of Highway Safety Grant award through Highway Safety Contract 2014-AL-007 (DUI)

Interim Police Chief James Edelstein said these funds would be used to put personnel on the streets and provide impaired driver enforcement and educational services. There is no fiscal impact to the Town.

Vice Mayor Nye said we are experiencing a higher number of accidents of late. Edelstein said that the officers have noticed an incline in their contact numbers too. He expressed his appreciation to Sgt. Postula and Administrative Staff Laura Valenzuela for putting the grant application together. Council member Whiting stated we have a high rate of DUI citations and is surprised to see that. Education will help a little as far as that goes.

Council Member Grossman made the MOTION, seconded by Council Member Anderson, to authorize the Mayor (or, in his absence, the Vice Mayor) to sign Resolution No. 1855 accepting the GOHS Contract 2014-AL-007, by electronic vote. MOTION carried with 7 ayes and 0 nays.

h. Consideration of authorizing the Mayor to sign Resolution No. 1856 accepting Governor's Office of Highway Safety contract 2013-164-045 for a 2014 Highway Safety Plan Grant Award in the amount of \$10,000 2014-PT-020 (Selective Traffic Enforcement Equipment)

Interim Police Chief James Edelstein said this \$10,000 grant has no fiscal impact on the Town. The funds will be used for impaired drivers enforcement specifically, focusing on speeding and seat belt laws. He acknowledged the Governor's Office of Highway Safety in supporting their efforts very well.

Vice Mayor Nye stated we want the PVPD officers to know that they are appreciated for their efforts.

Council Member Mallory made the MOTION, seconded by Council Member Anderson, to authorize the Mayor (or, in his absence, the Vice Mayor) to sign Resolution No. 1856 accepting the GOHS Contract 2013-164-045, by electronic vote. MOTION carried with 7 ayes and 0 nays.

i. Consideration of accepting a FFY 2013 Homeland Security Grant in the amount of \$14,632 and approving the Homeland Security Grant Agreement 130511-01

Interim Police Chief James Edelstein said these funds are to be used for a Terrorism Liaison Officer (TLO) of which there are five in Yavapai County. Funds will be used to purchase mobile kits to link them directly to the State so that if they respond onto the scene of an incident they can log into the system to link to the internet through the air card. They will also have a camera with a GPS that will digitally label the photo with the location and a kit for all the equipment. The TLOs respond to locations where they do not have computers in their cars. This kit will allow them to respond in the field, provide immediate intelligence and communicate it back to the State. On a local level, our TLOs can respond to critical incidents in any of the jurisdictions so that you have a team of information and intelligence officers available.

Council Member Mallory made the MOTION, seconded by Council Member Anderson, to approve the FFY 2013 Homeland Security Grant Agreement # 130511-01 accepting the grant award, by electronic vote. MOTION carried with 7 ayes and 0 nays.

14. COMMENTS FROM THE PUBLIC

Mr. Jerry Brady of Dewey/Humboldt

Mr. Brady said he wished to address Council about an emergency issue. He gave a detailed history of water rights in Arizona focusing on Yavapai County water resources. Mr. Brady suggested that we get grants to receive judgments that apply particularly to this municipal jurisdiction.

15. ADJOURNMENT

Council Member Mallory made the MOTION, seconded by Council Member Anderson, to adjourn, by electronic vote. MOTION carried with 5 ayes and 1 nay. Council Member Marshall voted nay. Mayor Skoog adjourned the meeting at 7:51 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, Diane Russell, 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, November 21, 2013.

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

Dated this November 25, 2013

Diane Russell, Town Clerk