

**TOWN OF PRESCOTT VALLEY
WORK STUDY MEETING
MINUTES
February 5, 2015**

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

1. Call to Order

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

2. Roll Call

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

Absent: Council Member Marshall.

3. Presentation: Watershed Plan Report - John Munderloh

Water Resources Manager John Munderloh gave a report about the goals of the Upper Verde River Water Protection Coalition regarding watershed protection. The Coalition was established in 2006 with Charter members Prescott Valley, Prescott, Chino Valley, Yavapai County and Yavapai Prescott Indian Tribe. Their purpose is to protect the flows of the upper Verde River and reach Safe Yield in the Prescott AMA. In 2012, the Coalition Board set forth an initiative to address the watershed as a whole. Soon after that they received a Bureau of Reclamation Grant to pay for the cost of developing this report and the plan. This was done with a Watershed Task Force group of professionals who understand watershed protection. This report pertains to the Prescott Active Management Area Watershed and the Big Chino Watershed area. Approximately 2.2 million acre feet of precipitation fall on this area in an average year. For perspective purposes, the Town of Prescott Valley pumps about 5,000 acre feet of water annually. Only 2 percent of the 2.2 million acre feet of precipitation is actually recharged back into our aquifer. The rest is runoff or consumed by plan and evaporation. We want to recharge more of that water prior to it being lost back to the sky.

They came up with 4 plan elements in an attempt to recharge that water:

1. Vegetation Management - treat forest and woody encroachment over grassland areas for which they have received a \$1 million grant; the State Forester has also received a grant to try to turn that woody material into something of value.
2. Infiltration Enhancement - induced recharge of rainwater slowing down washes to let it spread out and also collection of rainwater; a grant source has been identified for this project; build gabbion sites with monitoring in place; a grant has been submitted with award info expected in June.

3. Water from Urbanization – developing some benefit from water runoff from hardscape such as parking lots, rooftops etc.; Waterhouse Gulch includes Frontier Village, Lowes Home Improvement Center by Prescott and Tribe land; money is available through the Arizona Water Protection Fund in the form of a grant for which an application will be submitted.
4. Aquifer Protection - through the Prescott AMA since 1980 Ground Water Management Act with no new subdivisions since 1999, no new irrigated agricultural land since 1980, conservation & reporting requirements are foisted on us every decade; we are getting closer to Safe Yield with a long way to go. Ground water levels are not falling as rapidly as they used too, although they are still falling at one half foot per year rather than closer to 2 feet per year in the decade prior to 2003. State land has strict regulations about removing vegetation from state land. Aquifer protections are a project that are listed in the Agreement in Principle that Prescott, Prescott Valley and Salt River Project signed back in 2010. www.uvrwpc.org

In response to Council member Whiting's question, an important resource area in the Big Chino has been selected for the removal of overgrown dense vegetation which has encroached out onto the grassland were it never existed before. It is also a key recharge driver for the Big Chino Aquifer. Since 1999 there have been no new developments permitted. However, we have had growth on the existing developments.

Town Manager Tarkowski suggested a field trip to look at such an area with the help of the Forest Service. Some vegetation removal took place up by the power line off 89A. We could go up on top of the mountain and see an area that has been thinned versus areas that have not been thinned.

Munderloh said the \$1.5 million grant was applied for with the Coalition as a secondary party to Arizona Game & Fish. AZ Game and Fish's half million dollar portion will focus on the Central Arizona Grassland Conservation Strategy to improve the Pronghorn habitat encompassing three counties.

4. Discussion regarding proposed e-Cigarette regulation

Library Director Stuart Mattson said this subject came up 10 months ago due to people lighting up e-cigarettes in the library. Several Arizona municipalities and counties have addressed this issue by adding it to their policies. Deputy Town Manager Ryan Judy added that we are talking about adding this as a nuisance issue preventing use in the Town buildings. Council said cigarettes, whether tobacco or e-cigarettes, can be very offensive and send a bad image. Council felt it prudent to move forward with this as e-cigarettes are in the same category and should be treated equally.

5. Discussion regarding Treatment Plant Equipment Storage Building, CIP # W372

Utilities Director Neil Wadsworth said they are planning on installing a 3,000 square foot metal storage building at the Waste Water Treatment Plant. The building will house three very expensive pieces of heavy equipment which could be damaged by climate conditions. The building will be placed southwest of the Plant on the old unused drying beds. Council commented that since we have so much invested in this equipment they would like to see it housed for protection.

6. Discussion regarding purchase of a Line Tapping Machine

Utilities Director Neil Wadsworth said this piece of equipment will replace a 20-year old water line tapping machine. The machine allows insertion of new service line hookups into active water lines.

7. Discussion regarding Mid-Year Financial Review for the Town of Prescott Valley

Management Services Director Bill Kauppi presented a snap shot of revenues and expenditures. A detailed report is attached with a brief overview as follows. He predicts \$13.6 million in TPT tax collections based on restaurants & bars, transportation, communication, utilities, retail trade and construction. State shared revenue should be about equal to last year. Over the past six months 205 permits were issued compared to 366 in 2014. Kauppi predicts a total of between 400 to 450 permits expected for the year. We are right on target with our Expenditures with 50.12 percent of the budget remaining for the rest of the fiscal year. The Highway Users Revenue Fund will be about \$200,000 over budget; overall it is doing very well and he has no concerns. Impact Fees is the one category he most concerned with. Only 25 percent of what he budgeted has been collected in Impact Fees. Wastewater Funds and Water Funds normally fall right along in line with Impact fees. Total Outstanding Debt Obligations totals \$76,932,141 with the potential to pay down the WIFA debt. Major Capital Projects.

Town Manager Tarkowski said, in regards to the Special Assessment Fees, we just paid off the sewer bonds. The issuance of those bonds and making those improvements is the one thing that helped this town grow; they are now paid off.

Council member Mallory said how much she and all the people here appreciate the foresight and efforts of the folks who put all this in motion.

8. Adjournment

Mayor Skoog adjourned the meeting at 6:20 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 Work Study meeting of the Town Council of the Town of Prescott Valley, held on Thursday, February 5, 2015.

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

Dated this February 6, 2015

Diane Russell, Town Clerk