

**TOWN OF PRESCOTT VALLEY  
REQUEST FOR COUNCIL ACTION  
Date: June 24, 2010**

**SUBJECT:** Rural Community Assistance Corporation (RCAC) Work Plan Proposal – Castle Canyon Mesa/Prescott East Sanitary Sewer District

**SUBMITTING DEPARTMENT:** Community Development

**PREPARED BY:** Ruth Mayday, Planner, for Richard Parker, Community Development Director

**AGENDA LOCATION:** Comments/Communications , Consent , Work/Study ,  
New Business , Public Hearing , Second Reading

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**ATTACHMENTS:** a) RCAC Community Work Plan

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**SUMMARY/BACKGROUND:** Current deficiencies in sewage disposal infrastructure constitute an immediate health hazard in Castle Canyon Mesa (CCM) and portions of Prescott East (PE), and to adjacent areas of Prescott Valley. Benefits of installing a regional sewer collection system in CCM Units I, II, and IV, and PE Units I, II and III include improved health and safety as well as strengthened long-term property value. The Rural Community Assistance Corporation (RCAC) has been formed to assist just such communities and their partners to develop means to eventually construct such regional systems. RCAC has been approached to develop a Work Plan for CCM and PE, in cooperation with Yavapai County and Prescott Valley, to assist them in determining if sufficient support exists to form a district to provide sanitary sewer systems for the area.

Under the Plan, RCAC will conduct community sampling, then provide technical assistance in developing a sewer district, coordinating with Yavapai County and the Town, and then assisting any future district board to identify project financing sources. If CCM and PE agree to work with RCAC (as determined through Yavapai County), then RCAC will approach Prescott Valley for a memorandum of agreement or similar document to ensure Town cooperation.

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**OPTIONS ANALYSIS:** Town Council may accept the Community Work Plan (MOU), table the item and direct staff to make modifications to the work plan (MOU), or decline approval.

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**ACTION OPTION:** Motion to Authorize the Mayor (or in his absence, the Vice Mayor) to sign the Work Plan (MOU) with RCAC, **OR** Motion not to approve the Work Plan (MOU) with RCAC. **VOTE.**

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**RECOMMENDATION:** RCAC provides technical expertise in working with communities to develop and implement sanitary sewer projects throughout the western United States. In accepting and signing the MOU, Town Council agrees to provide staff to assist in the pre-formation activities necessary for sanitary districts while allowing RCAC, an impartial third party, to perform the actual tasks and take the lead in gauging community support for moving forward with the project.

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**FISCAL ANALYSIS:** Town policy (memorialized in the July 26, 2001 IGA between the Town and the (then) Prescott Valley Water District) is to not provide sewer service outside Town limits, and to not annex already-developed areas until arrangements have been made for infrastructure in the areas to be brought up to Town standards. Arizona law would permit the Town to provide sewer service outside its limits, but such outside service would be considered "proprietary" instead of "governmental", implying less inherent control under the police power. These policies have been reconsidered and reconfirmed

during discussion of proposed annexations on July 14, 2005, May 25, 2006, and September 28, 2006. The policies were also reconfirmed in discussions held on August 28, 2008, and July 23, 2009.

Any process whereby Yavapai County assists CCM and PE to obtain sewer service will remove perhaps the single greatest impediment to possible annexation of all or portions of these areas in the future. It has long been acknowledged that Prescott Valley would gain additional state-shared revenues and treated effluent if CCM & PE are annexed after construction of sanitary sewers. The traditional debate, however, has been whether these benefits would outweigh the additional police, community development, and other service costs that would be incurred. In recent years, arguments that CCM and PE are considered by many to already be in Prescott Valley and are one of the first areas seen by persons entering the Town have seemed to tip the scales in favor of considering annexation even if costs outweigh direct benefits.

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**REVIEWED BY:**

Management Services Director \_\_\_\_\_

Town Clerk \_\_\_\_\_

Town Attorney \_\_\_\_\_

Town Manager \_\_\_\_\_

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**COUNCIL ACTION:**

Approved  Denied  Tabled/Deferred  Assigned to \_\_\_\_\_