

**TOWN OF PRESCOTT VALLEY
REGULAR COUNCIL MEETING
MINUTES
July 8, 2010**

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

1. CALL TO ORDER

Mayor Skoog called the July 8, 2010 Regular Council meeting to order at 5:30 p.m.

2. INVOCATION

Father Dan Vollmer of St. Germaine Catholic Church gave the invocation after which he led the Pledge of Allegiance which was said in unison.

3. PLEDGE OF ALLEGIANCE

Mayor Skoog presented Father Vollmer with a Certificate of Appreciation in grateful recognition of his continued support to the Town.

4. ROLL CALL

Present: Mayor Skoog, Vice Mayor Anderson, Council member Flannery, Council member Lasker, Council member Nye, Council member Schumacher, Council member Wise

5. SCHEDULED ANNOUNCEMENTS & PRESENTATIONS

a. Chamber of Commerce

CEO of the Chamber of Commerce Marni Uhl introduced Karen Rockfold and Jackie Mace of "We Can Help You, LLC" and Mimi Hatton of Orchard RV Ranch. Each told a little about the services they offer and gave their contact information.

b. SouthWest Risk, Ed Bantel

Town Clerk and Risk Manager Diane Russell introduced Ed Bantel the Town's Program Administrator with the Arizona Municipal Risk Retention Pool. Mr. Bantel stated that the Town has been with the Pool for many years and built a lot of equity with the Pool. The Pool is non profit, unlike commercial insurance agencies, with the municipalities as the stockholders overseen by a Board of Directors comprised of municipal people. Due to the efforts of the members the Pool had a really good year and because this has been a very financially difficult year for the municipalities the AMRRP Board of Directors voted to increase the dividend amount from \$2 million to \$2.8 million. Longevity with the Pool (since 1987), equity built up in the Pool and loss experience all contribute to Prescott Valley's dividend in the amount of \$94,445.00.

Council member Flannery commented that the Town has a great Risk Manager and this check reflects the oversight of the Risk Manager. He assured Mr. Bantel that safety is always on her mind.

Mr. Bantel added that he works very closely with Diane and she is very proactive in the processes and a pleasure to work with. Bantel presented Mayor Skoog with a ceremonial check reflecting the dividend amount of \$94,445.00. Mayor Skoog invited Mr. Bantel back, anytime to repeat this process.

6. PROCLAMATIONS

a. 20th Anniversary of the ADA

Town Clerk Diane Russell read the proclamation after which Mayor Skoog presented it to Mr. Bob Moore, New Horizons Independent Living Center Board President. Mr. Moore thanked the Town for giving them the opportunity to publicly come forward and announce the celebration of their anniversary and let people know they can have access to resources and participate equally in our community. He added that it is great to come to the town buildings which obviously support ADA accessibility. Mayor Skoog stated New Horizons do a very good job of providing services to our community and for focusing on ability, not disability.

b. Parks and Recreation Month

June Catanzarite read the proclamation after which it was presented by Mayor Skoog to Parks and Recreation Director Brian Witty. Mayor Skoog commented that the Parks and Recreation Department is doing a fantastic job. Vice Mayor Anderson thanked Brian for all the good work they do even with the budget cuts.

Brian thanked everyone who helps contribute to keeping the parks program running

smoothly. He announced that a ribbon cutting will take place soon at the Mountain Valley Park for the project just wrapping up there and another one is scheduled at Old Town Park in a few weeks.

7. CERTIFICATES

a. Certificate of appreciation to Casey Danner for 10 years of service

Town Clerk Diane Russell read the accolades and comments from the Management Services Department for his ten years of service to the Town. Along with the accomplishments he has made, his dancing and karaoke talents were also highlighted in the comments.

Casey thanked Bill Kauppi for the kind words and Larry Tarkowski for the other 'stuff'. Casey added that he moved up here from Phoenix ten years ago and has never regretted it.

Mayor Skoog presented Casey with a plaque and a pin for his ten years of service to the Town. Council member Nye commented that he is too young to have been here ten years and asked him for his 'magic wand'. Council member Flannery added that Ivan resisted technology initially and now we cannot get technology away from him because of Casey. Council members Wise and Lasker added that Casey is the 'go to guy' to fix blackberry's, laptops etc. Vice Mayor Anderson echoed the others and stated that Casey has made it very easy for him to adjust to the Town's technology.

b. Certificate of appreciation to Norm Davis for 5 years of service

Town Manager Larry Tarkowski stated that in the tradition of a true Public Works Director, he saw Norm's eyes light up when he saw the \$94,445 check being presented to the Town and how he could see the wheels turning as to how Norm could spend that for the community. He applauded Norm for raising the bar in the department both through feast and famine. Norm has done an outstanding job of managing in these lean times without sacrificing maintenance. Norm has done a good job, developed relationships within the department and grown as a public works director.

Council member Lasker commented that she enjoys making Norm "talk English" - in other words, talk layman language so that she can understand the public work's issues.

Norm brought his family forward and introduced sons Joseph, Mathew, Braydon and wife Sarah.

Council member Wise thanked Norm for the experience he brought to PV. Council member Nye added that Norm is a true gentleman. He has additional responsibilities on CYMPO. Council member Flannery threw Norm a lifeline commenting that the prior

Public Works Director (Larry Tarkowski) would have had the \$94,445 check spent before it ever got here. The Council member continued that he works with Norm on CYMPO and noted the challenges he faced with federal involvement this year. He did a fine job with the two projects this year. Council member Schumacher noted Norm's calmness and presentation skills. Vice Mayor Anderson said it is refreshing to see Norm come and go with a big smile on his face and expressed appreciation for that as they sometimes make his life a little difficult.

Mayor Skoog presented Norm with a Certificate of Appreciation and a five-year pin for his years of service.

Norm said he enjoys his trade and it is nice being a member of this community. Everything they do is a great team effort. He enjoys what he does.

c. *Certificate of appreciation to Jason Elmer for 5 years of service*

June Catanzarite read the Parks and Recreation Management comments and accolades about Jason after which Mayor Skoog presented him with a Certificate of Appreciation and five-year pin. Public Works Operations Manager Ken Stanton came forward and presented Jason with a bag full of 'remedies' to help get him through each day.

8. *COMMENTS/COMMUNICATIONS*

Council member Flannery commended town staff on the outstanding fireworks show on July 4th.

Council member Nye thanked Bob Davis and CYFD for safely assisting her to the top of the flagpole to place the eagle at the Veteran's Memorial Monument. \$30,000 is still needed to complete the monument.

Council member Lasker announced the second annual Rotary Bar-B-Q competition that will be held on July 17th at the Prescott rodeo grounds.

9. *CONSENT AGENDA*

a. *Approval of Minutes - June 10 and 24, 2010*

b. *Approving an increase in overall credit card limit and adding two new cardholders for PANT with the Wells Fargo Corporate Card - Public Sector*

c. *Approving and accepting water and sewer easements for the Sungate Villa II complex and a sewer easement across the Sungate Villa property for maintenance and operations of the sewer lines installed as part of the project*

- d. *Approving and accepting a water easement across the Dollar General Store located at the intersection of Navajo Drive and Florentine Road*
- e. *Approving entering a licensing agreement with Foxworth-Galbraith Lumber Company for PVPD storage and training uses*
- f. *Authorizing the Mayor to sign Resolution No. 1709 authorizing purchases of services and supplies from Mayor and Common Council members in accordance with ARS §38-503(C)(2)*
- g. *Approving Accounts Payable for June 16 thru June 29, 2010*

Council Member Wise made the MOTION, seconded by Council Member Schumacher, to approve all Consent Agenda items, by electronic vote. MOTION carried with 7 ayes and 0 nays

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

- a. *Consideration of authorizing the Mayor to sign Ordinance No. 747 as an emergency measure amending Section 10-02-040 Synthetic Turf General Rules*

Parks and Recreation Director Brian Witty commented that the Mountain Valley Park project had been reviewed in work study to coincide with the opening of the new facility. Brian reported that problems were minimal at the fireworks event and comments have been positive. Education will continue regarding the new rules.

Council Member Schumacher made the MOTION, seconded by Council Member Nye, to approve the reading of Ordinance No. 747, by title only, as an emergency measure and place the same on final passage, by electronic vote. MOTION carried with 7 ayes and 0 nays

June Catanzarite read Ordinance No. 747, by title only, as an emergency measure.

Mayor Skoog asked, shall the ordinance pass? Ordinance No. 747 passed UNANIMOUSLY.

- b. *Consideration of authorizing the Mayor to sign Resolution No. 1708 in support of the 2010 Transportation Efficiency Grant Application for the PV Pipeline Multi-use Path, Phase 4B*

Public Works Director Norm Davis stated that we submit a Transportation Enhancement grant application each year about this time to the Arizona Dept. of Transportation. We will submit two grant applications this year. One is especially for non vehicular type

transportation such as multi-use paths, landscaping etc. The grant for 4A will be submitted for an 'on system' grant meaning for use within the highway right-of-way (89A). 4B will complete the multi-use path. These are very competitive grants. Aggregately we have \$1.5 million in grant money. If we are successful in this grant it will add a little bit more to the existing 9 miles of continuous pathway throughout the area. We were not successful in getting last years grant as it was determined too dangerous crossing the grade in the Antelope Meadows Dr. area. An alternative alignment was studied to give safe access under 89A via a box culvert.

Council member Nye stated that they have become masterful at these projects. The citizens do appreciate our paths and trails. Council member Schumacher added that prior to Norm taking the Public Works Director position we had a horrible time with ADOT. It has gotten a lot better with Norm here. Council member Lasker commented that these 'PV branding' paths add to the quality of life here and people are going to want to be here because of those paths and trail ways. Norm added that these paths add safeness and efficiency to the connectiveness of town. Council member Flannery noted that because of the Town of Prescott Valley's demonstrated leadership others are competing for the same grant monies. In the plans for this fall is another pathway between Glassford Hill Road and Great Western along highway 69 using about \$2 million in grant funds.

Council Member Nye made the MOTION, seconded by Council Member Lasker, to authorize the Mayor (or, in his absence, the Vice Mayor) to sign **Resolution No. 1708** in support of the 2010 Transportation Efficiency Grant Application for the PV Pipeline Multi-Use Path, Phase 4B, by electronic vote. MOTION carried with 7 ayes and 0 nays

c. Consideration of approving the submittal of an application for the \$15,000 Community Challenge Grant and Arizona Centennial Tree Projects requiring a fifty percent match in funds from the Town via development impact fees

Parks and Recreation Director Brian Witty said this grant would come from the USDA State Land Forestry Dept. These grants are available at a maximum amount of \$15,000 with a 50 percent match from the town. A CDBG grant will be providing pathway on the northside of Mountain Valley Park tying into the other pathways around town. They would like to plant 100 trees linking it into the Centennial Tree Program. Brian clarified for council that the total matching funds needed from the town for the grant is \$15,000 as the total project is a \$30,000 project. The money would come from Development Impact Fees.

Council member Flannery finds it 'a stretch' to use Development Impact Fees (DIF) for this type of project and cautioned that we will get tested in court for doing so. Volunteer workers forested what is currently at the park. Flannery would be totally in favor of the project if it could be funded another way.

Larry Tarkowski commented that DIF funds have been used many times over the years for landscaping the medians around town and the Urban Forest. The DIF fees were not used as a match for grant monies in the past, though. Tarkowski said we are using DIF funds now

because we are using them to finish improvements at Mountain Valley Park (artificial turf, sidewalks, electrical, trees).

Council Member Wise made the MOTION, seconded by Council Member Lasker, to approve the submittal of an application for the Community Challenge Grant and Arizona Centennial Tree Projects, by electronic vote. MOTION carried with 5 ayes and 1 nay and 1 abstain. Council Member Flannery voted nay. Council Member Schumacher abstained.

d. Consideration of approving the Revised Community Services Agreement with the Prescott Valley Chamber of Commerce

Town Manager Larry Tarkowski referenced the work study last week in which this item was thoroughly discussed. The agreement will require another ten percent reduction this year as it did last year. The Chamber of Commerce has a long history of working with the Town of Prescott Valley and the agreement the Town has with them is for specified services (sponsoring special events).

CEO of the Chamber of Commerce Marnie Uhl stated that understanding the current economy the reductions are understandable. This does not mean that the Chamber will reduce services in any way. This is not a subsidy - it is a contract for services, added Vice Mayor Anderson. Uhl added that the funds will be dedicated to marketing and media promotional efforts for Prescott Valley. Then they will look for the development of private/public relationships.

With the loss of the Prescott Area Coalition for Tourism (PACT) the tourism challenge will be picked up by the Chamber. While the Chamber has a component of Tourism in the agreement they have depended on PACT to undertake that task for the most part. Additional monies have been provided in the agreement to fund the tourism program. Marnie added that a region is eligible for a lot more money than an individual group. Hence partnering would be to their benefit. Council member Flannery commended the Chamber for the "Team up, to Clean up" program 'Valley of the Lights' and concerts that they provide.

PUBLIC COMMENT: Mr. Joe Farley added that Marnie does an outstanding job in this town.

Council Member Lasker made the MOTION, seconded by Council Member Nye, to approve the Revised Agreement with the Prescott Valley Chamber of Commerce, by electronic vote. MOTION carried with 7 ayes and 0 nays

e. Consideration of approving the Community Services Agreement with the Prescott Valley Economic Development Foundation

Prescott Valley Economic Development Manager Greg Fister said there is one change in the agreement after last weeks discussion in work study session. The funding level for this

year is \$150,000 which will remain at that level for the next two years unless changed by council at the budget hearings. A Prescott Valley Economic Development Foundation Report had been distributed to Council members for study prior to this evening's session.

PVEDF Director Mr. Gary Marks responded to Council member Flannery's request to respond to comments regarding a misrepresentation in a newspaper article after last week's works study session in hopes of providing a more accurate report.

Mr. Marks explained and provided examples showing that it is not uncommon that from the time they start the process, make contact and see a project through, can take from 28 to 36 months. It is a long slow process. Economic Development is a three-legged stool in the Town involving industrial recruitment by PVEDF, business retention and expansion by the Chamber of Commerce and the Town doing retail. Council member Flannery added all of those interests want their project to be incentivized by the Town and State. When the Town, County and State cannot provide those incentives, recruitment is difficult.

Mr. Marks commented that PVEDF finds and brings opportunities to the area; it doesn't close deals. It takes a partnership of public and private sectors to close deals. Prescott Valley is competing against places like Corpus Christi with a lot more resources. The fact is everyone wants capital investments and jobs as long-term benefits for their citizens. This agreement is done in a three-year term because of the longevity of the process. Goals are established to cover a three-year time. Year one, 2007, PVEDF exceeded their goals. Year two, 2008, they were under the average, a little. Year three, 2009, they were under the average a lot as the projects were completed in year one and two and the wrap ups, minimal (business expansions), were made in year three. New projects and opportunities were not forthcoming to PVEDF.

Council member Flannery stated that council is not content with the lack of progress over the last three years. The Town has a huge investment in PVEDF, Future Focus, the General Plan 2020 etc. and it makes sense to stay the course and make some intelligent coordinated effort.

Council member Nye asked Marks to discuss the 'in-house' versus 'out-house' issue. Marks responded that they work with companies many times without knowing who they are because the company is trying to gain the competitive advantage over their competition so they don't want it disclosed. The name of the company can not be revealed until the company wants to reveal it. A large majority of the companies prefer not to deal with a municipality as municipalities are subject to Open Meeting and Public Records Disclosure laws.

Council member Lasker agreed with Council member Flannery's statements and noted that this is the best way to clear up some of this misinformation.

Marks noted that the unemployment rate in Yavapai County in 2007 was 3.5, 2008 was 5.6, 2009 was 9.6 and in May 2010 was 10.2 percent which has impacted their efforts. Marks distributed a "Activities and Marketing Efforts made from 2002 - 2010" which

showed the following activities: included 2,566 company direct mail campaigns, 36 national and international tradeshows, 9 prospecting trips, 72 national advertising and recorded over 220,000 website visits. The results of these efforts were 1,060 new jobs, \$141,500,000 in new capital investment and \$639,400 grant dollars received.

Council member Flannery concluded with that we define in the contract the governing documents that are to guide the PVEDF. The General Plan 2020 and the Focus on Success are voter approved and we get in trouble when we don't follow those.

Council member Schumacher stated that she has a better understanding of why we need to continue this process with PVEDF. She thanked Mr. Marks for being open and direct, and answering all council's questions.

Council member Wise stated that the reports are comprehensive and he appreciates the work that went into them. Credit needs to be given for the jobs brought to this community that were not allowed to move forward yet required just as much time, work and effort. "It has to be discouraging to PVEDF to do the work that you do and then be slapped down by a few." Wise encouraged Marks to "keep doing what you do".

Vice Mayor Anderson said you don't pick and choose who comes to you, you process the people the same as you would any other person that brought the opportunity of jobs to you. Eventually, that comes before Council and then it is Council's decision to decide whether they will support it or not. We are in a position as many other small towns across the country are in looking to keep what jobs we can, adding where we can, diversifying where we can. "It is not a 'them versus us attitude', or at least is shouldn't be."

Council member Lasker added that it is times like this that we need PVEDF the most - times are tough. This discussion shouldn't even be necessary. Council members expressed their appreciation to Mr. Marks for the work they have done and continue to do.

Council Member Wise made the MOTION, seconded by Council Member Nye, to approve the amended agreement with Prescott Valley Economic Development Foundation, by electronic vote. MOTION carried with 7 ayes and 0 nays

11. COMMENTS FROM THE PUBLIC

Mr. Tom Steele came forward to say that he is not opposed to the work that the Chamber of Commerce and PVEDF do, as many may think. However he expressed his displeasure that Council is using over a quarter million tax dollars a year for this purpose. This creates a public/private partnership. A short time ago, Council was considering raising the Town's sale tax from 2.3 to 3 percent. If the bars, restaurants etc. had not been vocal and been partners in the Chamber of Commerce and/or PVEDF they would have felt comfortable coming before Council to oppose the tax increase. The revenue that would have been generated by that tax was expected to be a quarter of a million dollars. That is what is being given to these two entities, potentially for the next two years. That creates an adversarial relationship. Government by definition is a monopoly. Government is there to

do the work that others cannot do i.e. public safety, public works. Areas such as economic development interferes with the free enterprise system. Steele stated he would like to have seen Council look at this a little differently and used himself as an example. When he was working, if he didn't meet the numbers/goals he wasn't rewarded for it.

Scott Helfinstine, PVEDF Board member, thanked Council for an affirmative vote the Foundation. Also, he stated that PVEDF has dues paying members who commit their dollars and time toward their efforts.

Sandy Griffis, thanked Council for their support of PVEDF also. However, she questioned Council supporting item 10(c) giving \$15,000 in matching Development Impact Fees monies to match the grant money. She asked that it be removed from the agenda for further consideration. Could it be an in-kind donation, what size will the trees be, who will maintain them? She disagrees with the use of Development Impact Fees. We could find ourselves in a fix over this one.

Mayor Skoog explained that item was discussed and approved, but it could be revisited another time.

12. ADJOURNMENT

Council Member Schumacher made the MOTION, seconded by Vice Mayor Anderson, to approve ADJOURNMENT, by electronic vote. MOTION carried with 7 ayes and 0 nays

Mayor Skoog adjourned the meeting at 7:50 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, July 8, 2010.

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

Dated this Town Council July 14, 2010

Diane Russell, Town Clerk