

**TOWN OF PRESCOTT VALLEY  
REGULAR COUNCIL MEETING  
MINUTES  
August 28, 2008**

Magistrate Court/Council Chambers  
Civic Center  
7501 E. Civic Circle  
Prescott Valley, Arizona 86314

1. *CALL TO ORDER*
2. *INVOCATION*
3. *PLEDGE OF ALLEGIANCE*
4. *ROLL CALL*

The meeting was called to order by Mayor Skoog at 5:30 p.m. in the Magistrate Courtroom/Council Chambers. Pastor Charlie Hail, Prescott Valley Nazarene Church, gave the Invocation after which a special Mayor's Recognition appreciation certificate was read and presented to Pastor Hail. The Pledge of Allegiance was said in unison as led by Pastor Hail. The following council members were present for roll call:

Harvey Skoog	Mayor
Fran Schumacher	Vice-Mayor
Harold Wise	Council member
Bob Edwards	Council member
Mike Flannery	Council member
Mary Baker	Council member
Lora Lee Nye	Council member

5. *ANNOUNCEMENTS & PRESENTATIONS*

Ron Strock, Store Manager and John Johnson, Assistant Manager for Home Depot were present to invite the Mayor and Council to their Neighborhood Night for a soft opening of the store. On September 10, 2008, there will be a ribbon cutting at 4:30 pm followed at 5:00 pm to 9:00 pm when the doors will be open to the public. September 11, 2008 will be the grand opening. They presented a Home Depot apron to the Mayor and Council welcomed Home Depot to our community.

*a. Military Service Monument, Carm Staker*

Carm Staker reported that at the last council meeting she did not announce who the artist is who has been selected to produce the Military Service monument. Mrs. Staker said that the name of the person who came up with the concept is Bill Brown. Last spring there were many people from the community, as well as from the schools, who submitted drawings or concepts of what they thought the monument should resemble. Mr. Brown was introduced, along with the committee members present: Harold Wise, Mike Flannery, Lora Lee Nye, Bill Brown and Richard Imburgia. There are 15 to 20 people who are on the committee. Bill Brown stated that he came up with the concept but is not an artist. The artist's name is Roger Howard.

The committee is still continuing to raise money. There will be a booth at the World Arts Festival and they will be at the County Fair selling raffle tickets. There are also t-shirts for sale.

Council member Flannery wanted to commend all the people who serve on this committee. The level of dedication that has gone into this project is remarkable. The committee meets all the time. Not only do they attend the meetings, they are out at every event to educate the public on this project. He also advised that there is a website for this committee, located at pvmonument.com.

## 6. COMMENTS/COMMUNICATIONS

No comments or communications were forthcoming.

## 7. CONSENT AGENDA

- a. *Approval of Minutes – August 14, 2008*
- b. *Authorizing the Mayor to sign a Community Services Agreement between the Town of Prescott Valley and United Animal Friends*
- c. *Approving and accepting Public Utility Easements for Valley View, Phase III Development from Wescap Investments Inc., Valley View III/Prescott Valley LP*
- d. *Approving and accepting Public Utility Easement for Sam's Club in the Crossroads Development, Parcel C*
- e. *Approving Departmental Monthly Statistical Reports:*
  - Community Development*
  - Library*
  - Parks and Recreation*
  - Police Department*
  - Public Works*
  - Town Clerk*
- f. *Approving the Transaction Privilege Tax (TPT) Report*
- g. *Approving Accounts Payable for August 8 through 21, 2008*

Council member Flannery made the MOTION, seconded by Vice-Mayor Schumacher, to approve the Consent Agenda as read, by electronic vote. MOTION carried with 7 ayes and 0 nays.

## 8. NEW BUSINESS

- a. *Public Hearing*
  - Open Public Hearing*
  - Proposed Annexation of approximately two hundred and thirty-three (233.44) acres in T.14 N., R.1 E., Sections 16, 17, 20 and 21 of the Gila & Salt River Meridian (ANX08-001)*
  - Close Public Hearing*

Mayor Skoog declared the public hearing open.

Planner, Joe Scott, reported that this is a public hearing to review and take comment on the possible annexation of three separate parcels, totaling approximately two hundred and thirty three acres. The proposed annexation is at the request of the Fain Signature Group LLC and Fain Land and Cattle Company. The subject property is generally located on the north and south side of Valley Road between the Town Treatment Plant and the Big Sky Business Park. The zoning designation of the subject property is currently RCU-2A under Yavapai County jurisdiction. Should the property be annexed, similar zoning of RCU-70 would be adopted by the Town of Prescott Valley.

Vice-Mayor Schumacher asked if we annex this area will it limit any expansion of the Wastewater Treatment Plant. Town Manager, Larry Tarkowski, said that there is no additional area needed for the expansion.

There being no further comments, Mayor Skoog closed the public hearing.

*b. Public Hearing*

*Open Public Hearing*

*Proposed Annexation of one and nine-tenths (1.9) acres lying in T. 14 N., R. 1 E., Section 21 of the Gila & Salt River Meridian (ANX08-002)*

*Close Public Hearing*

Mayor Skoog declared the public hearing open.

Planner, Joe Scott, reported that this is a public hearing to review and take comment on the possible annexation of one and nine-tenths acres. The proposed annexation is at the request of the Central Yavapai Fire District. The subject property is generally located north of Sarah Jane Lane between Santa Fe Loop Rd. and Fain Rd. The zoning designation of the subject property is currently RCU-2A under Yavapai County jurisdiction. Should the property be annexed, similar zoning of RCU-70 would be adopted by the Town of Prescott Valley.

Vice-Mayor Schumacher asked if there were plans for another fire department in this location. The response was yes there are plans for CYFD building a new facility in this location.

There being no further comments, Mayor Skoog closed the public hearing.

*c. Public Hearing*

*Open Public Hearing*

*Revised Town Water and Wastewater Rates, Fees and Service Charges*

*Close Public Hearing*

Mayor Skoog declared the public hearing open.

Management Services Director, Bill Kauppi, stated that since 2001, staff has been monitoring utility revenues and has developed multi-year financial projections. It has evaluated whether existing rates, fees and charges are covering the cost of services. Factors to be considered are the need to encourage water conservation, to ensure uninterrupted water services to the increasing number of Town customers and to keep costs competitive with other communities in the region. Staff has identified new water resources which may be needed for growth and development in the community (consistent with the management goals of the Prescott Active

Management Area and the regulations of the Arizona Department of Water Resources). Based on this analysis, staff has concluded that Town utility rates, fees and charges need further adjustment in 2008.

On March 13, 2008, by Resolution No. 1570, the Water Utility System of the District was dissolved and the District was merged into the Town and declared to be a single system. On this same date, the Prescott Valley Water District adopted Resolution No. 70, approving the refunding of its bonds, sale of the system and liquidation of the District in accordance with Arizona Revised Statutes. The Prescott Valley Municipal Property Corporation Board (MPC) also at this time adopted Resolution No. 08-01, which authorized the sale of its Refunding Bonds, purchased the system and entered into a Purchase Agreement with the Town. At this time, since the District and Municipal systems have a disparity in their rate structures, it is anticipated that after a few years, when rates become more equitable between the two entities, there will be a blending of rates into one rate structure.

Staff has previously discussed proposed revisions to Town rates, fees and service charges with the Town Council at a June 5, 2008 Work/Study Session. The Council also considered proposed revisions at its Regular Session on July 24, 2008, when it set a public hearing for August 28, 2008. At that time, the Council expressed its intent to possibly raise water and wastewater rates based on the proposed revisions, and filed for public review a "Report of Proposal to Increase Certain Water and Wastewater Rates, Fees and Charges per ARS §9-511.01" dated July 24, 2008, along with the Town of Prescott Valley's Water and Sewer Rate Study dated July 2008.

The Council is now holding a public hearing on the proposed revisions to consider public comments. If the revisions set forth in the Report are adopted after the public hearing, they will be effective with the first billing after October 1, 2008.

The following is what is recommended based on the rate study. First, the base meter fees or charges will remain unchanged. This is for a 5/8" meter. The District water system for Block 1 will have a \$.12 increase (4%). Block 2 will have a \$.14 and Block 3 is \$.19. For the Municipal system (north of 89a) Block 1 will increase by \$.21, Block 2 is \$.26 and Block 3 is \$.33. This is primarily for residential customers. The municipal system is looking at an approximate 9% increase over the previous year.

The wastewater rates will have a \$.10 or a little less than 3% increase for residential and commercial customers.

Vice-Mayor Schumacher asked which users are above 40,000 gallons. The response was mostly commercial customers are in this category.

Council member Edwards asked if there is any information on the impact on conservation because of our water structure. Are we saving water as we go or are we going up or down as far as percentage? The response was that it is difficult to monitor and determine this. Water usage can be dependant on wet or dry weather. The structure does encourage conservation.

Council member Nye says it is important that we underscore that this is a minimal, but needed, increase.

Council member Flannery stated that Keith Larson and Associates conducted a conservation study. That study is near completion and will be scheduled on the agenda in the next 30 to 45 days.

Council member Wise commended the Management Services department for all that has been done, beginning with the contract with OMI and the management of keeping costs in line.

Town Manager, Larry Tarkowski, stated that compliments need to be given to Management Services Director, Bill Kauppi and Customer Accounts Manager, Cordell Compton on the fine job that they have done with the rate setting. Completing this task on an annual basis along with the 5-year projection is very important. This is an enterprise fund and is to be run as a business. There should be appropriate debt coverage. We also want to thank the citizens of the Town of Prescott Valley. The Town of Prescott Valley has one of the lowest gallons per person per day usage in the State of Arizona. The people in this community use water very wisely and in a very thrifty fashion.

Vice-Mayor Schumacher said that we work as a team. By doing the inverted rate several years ago and checking it every year we can give incremental rate increases rather than large amounts. This is to the benefit of everyone. Our citizens are one of the biggest components of this because they have cut back and they are conserving a lot of water.

- Sargon Folio – Castle Canyon Mesa – stated that he had a problem with bees in his meter. There is a new system to keep bees out of the meters and he passed the paperwork along to the council for consideration.

- Steve Rutherford – asked about irrigation meters which are not subject to wastewater fees. Is the rate for water consumption the same as it is through a domestic meter that is subject to wastewater fees? The response was yes. He also commented about consumption fees being reasonable and our service is very high.

There being no further comments, Mayor Skoog closed the public hearing.

*d. Consideration of authorizing the Mayor to sign Resolution No. 1602 revising domestic water rates, fees and service charges*

No further comments were made as all was discussed previously during the public hearing.

Council member Wise made the MOTION, seconded by Vice-Mayor Schumacher to authorize the Mayor (or, in his absence, the Vice Mayor) to sign Resolution No. 1602, revising domestic water rates, fees and service charges as earlier recommended, by electronic vote. MOTION carried with 7 ayes and 0 nays.

*e. Consideration of authorizing the Mayor to sign Resolution No. 1603 revising and/or increasing wastewater rates, fees and service charges*

No further comments were made as all was discussed previously during the public hearing.

Vice-Mayor Schumacher made the MOTION, seconded by Council member Flannery, to authorize the Mayor (or, in his absence, the Vice Mayor) to sign Resolution No. 1603 revising

(and, in some cases, increasing) wastewater rates, fees and service charges as recommended, by electronic vote. MOTION carried with 7 ayes and 0 nays.

*f. Consideration of approving acceptance of Yavapai County Community Foundation Grant funding to purchase and implement an Explosives Ordinance Detection and Patrol Certified Police Service Dog*

Sergeant Art Askew reported that the Prescott Valley Police Department was recently awarded \$18,100 by the Yavapai County Community Foundation (YCCF) Canines in Law Enforcement Grant. This grant is for the purchase, training and implementation of an Explosives Ordinance Detection (EOD) canine.

The Prescott Valley Police Department will pursue the purchase of the dual trained EOD / Patrol canine with the intent of deploying the canine and a newly assigned handler on the streets of Prescott Valley by January of 2009. Grant funding from the YCCF will fully fund the purchase of the Police Service Dog (PSD), the training of the PSD and the assigned handler, and all equipment necessary to deploy the PSD on the streets in patrol with the exception of a patrol vehicle. PVPD currently has a vehicle that is available to be assigned to this position without affecting other operations.

Council member Nye asked if this will require another grant for a vehicle. Chief Maxson answered that we have a vehicle available that will be retrofitted for this purpose.

Vice-Mayor Schumacher asked if we will be reimbursed for our services when we send the trainer and dog out to another community. Sergeant Askew responded that it has been written into the grant this year for funding to cover overtime pay for officers to assist another community.

Council member Flannery asked if anyone has been assigned as a handler for this new canine. The response was no one has been assigned but there will be a testing process in the near future. Will this canine be exclusive to explosives detection? Sergeant Askew answered that this canine will be dual certified (both explosives and patrol certified).

Council member Baker made the MOTION, seconded by Council member Nye to approve acceptance of the YCCF Grant funding and the purchase and implementation of the new EOD / Patrol certified Police Service Dog, by electronic vote. MOTION carried with 7 ayes and 0 nays.

*g. Consideration of approving an Intergovernmental Agreement with the Town of Dewey-Humboldt for Clean-up Day events*

Public Works Director, Norm Davis, reported that the Town has received a request from Dewey-Humboldt to allow their town residents the opportunity to participate in Prescott Valley's free Clean-up Day event. In exchange for extending these services to their residents, Dewey-Humboldt has offered to compensate Prescott Valley its portion of the total cost (materials removal, town labor and town equipment) based on the percentage of participants from their jurisdiction.

Prescott Valley has successfully partnered with Yavapai County the last four years to extend this service to County residents in the Castle Canyon and Country Club areas.

Vice-Mayor Schumacher added that it is wonderful that we are able to accommodate the other communities in the area. This should help keep trash out of open space in the surrounding communities. Mr. Davis agreed that this process should help eliminate “wildcat dumping”.

Council member Edwards said this is a good example of good neighbor policy. It gives everyone the opportunity to see the bright side of things that are being done rather than the negative stuff that comes out in the newspaper.

Council member Nye made the MOTION, seconded by Council member Flannery, to approve the Intergovernmental Agreement with the Town of Dewey-Humboldt, by electronic vote. MOTION carried with 7 ayes and 0 nays.

*h. Consideration of awarding a contract to Prescott Valley C & D Landfill for disposal services for Clean-up Day – Fall 2008 in an amount not to exceed \$52,580*

Public Works Director, Norm Davis, stated that the Fall Clean-up Day is scheduled for October 3<sup>rd</sup> and 4<sup>th</sup>, 2008. The Town will sponsor this event by providing a site adjacent to the Wastewater Treatment Plant for Town residents to bring in refuse, recyclable materials (steel, aluminum, plastic), appliances, tires and batteries at no charge to Prescott Valley residents. The Town of Prescott Valley is responsible for funding and making arrangements for the disposal of the material collected.

The low bidder for the Fall 2008 event is a local vendor. This is a unit price contract with the final amount due based on the success of the event. Included in the base bid is 1,000 tons of refuse hauled to the landfill, 1,150 tires and 200 Freon appliances. Haul and disposal of the steel, aluminum and plastic recyclables was bid at \$0.00 per unit (no charge).

Containers for plastic, aluminum, steel, Freon appliances, tires and lead acid batteries will be provided. Mitigation measures for this event include installing a wind fence around the pile of refuse, operation of a water truck throughout the day to control dust, and removal of the pile in a timely manner. The contract requires that all materials be removed by October 20, 2008.

Please note that Yavapai County has expressed an interest in partnering in this event as they have previously since May of 2004 by having County residents from Castle Canyon Mesa and the Prescott Country Club participate. An IGA is already in place and Yavapai County has agreed to pay a cost based on their residents’ involvement. In May 2008, their participation totaled 17.3% of the visitors to the event.

Mayor Skoog asked if there will be an option of being able to dispose of hazardous material. The response was that Prescott has this option at this time.

Council member Baker asked if the price per ton has increased or is it the same due to gasoline price increases. The response is that there are no significant increases by this local company.

Vice-Mayor Schumacher made the MOTION, seconded by Council member Nye, to award the contract to Prescott Valley C & D Landfill for disposal services for Clean-up Day - Fall 2008

in an amount not to exceed \$52,580, by electronic vote. MOTION carried with 7 ayes and 0 nays.

9. *COMMENTS FROM THE PUBLIC*

No comments were forthcoming.

10. *MOTION TO CONVENE INTO EXECUTIVE SESSION (PER A.R.S. 38-431.03(A)(3) in order to discuss or consult with the attorneys or other designated representatives of the public body regarding, or to otherwise discuss or consider, the following:*

- *Annexation Strategies*

Vice-Mayor Schumacher made the MOTION, seconded by Council member Nye to convene into Executive Session, by electronic vote. MOTION carried with 7 ayes and 0 nays.

11. *Recessed into Executive Session at 6:36 P.M.*

12. *Reconvened into Regular Session at 7:50 P.M.*

13. *ACTION (IF ANY) RELATED TO EXECUTIVE SESSION ITEMS*

No action taken.

14. *ADJOURNMENT*

Council member Edwards made the MOTION, seconded by Vice-Mayor Schumacher, to adjourn the meeting, by electronic vote. MOTION carried with 7 ayes and 0 nays. Mayor Skoog adjourned the meeting at 7:52 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, Candice McElhaney, 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 Regular Meeting of the Town Council of the Town of Prescott Valley, held on Thursday, August 28, 2008.

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

Dated this 3<sup>rd</sup> day of September, 2008

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Candice McElhaney, Deputy Town Clerk