

**TOWN OF PRESCOTT VALLEY
WORK STUDY MEETING
MINUTES
August 15, 2013**

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: Mayor Skoog, Vice Mayor Nye, Council member Anderson, Council member Marshall, Council member Whiting, Council member Grossman

Absent: Council member Mallory

3. Presentation: Chamber of Commerce "What We Do"

Marnie Uhl, CEO of the Prescott Valley Chamber of Commerce, introduced members of the Chamber Board of Directors Dr. Paul Stanton, Bill Vallely and Donna Laxson. Uhl commented that she routinely presents quarterly reports to the council pertaining to the Chambers activities, but would provide some history and highlight a few activities of the chamber. The Prescott Valley Chamber of Commerce was started by the Prescott Valley Businessman's Association incorporated in 1974, four years prior to the incorporation of the Town. The Chamber has an eleven member board, three full-time personnel and five volunteers operating on a budget this year of \$418,000. The membership of the Chamber is 596 strong. Marnie gave an overview of the Economic Development, Tourism, Safety, Governmental Affairs and Ambassadors Committees which promote the community through various media and means. She listed the recent and future activities which included various events from completion of the first draft of the new 'Community Profile and Business Directory' to the upcoming Yavapai County Home, Health and Lifestyle Expo. [Report attached] Attending directors thanked the council for their support of the chamber.

Town Manager Larry Tarkowski announced the upcoming Prescott Valley Police Foundation 4th Murder Mystery Dinner, "Vintage Murder" which Marnie Uhl is directing.

4. Discussion regarding outsourcing the processing and mailing of utility bills

Tim Henry, Customer Accounts Division Manager stated that the Customer Accounts Division is a part of the Management Services Department handling the water and wastewater account billings. They also provide new account set-up with five customer services representatives in the

division. The division processes about 20,000 invoices a month with about \$1 million a month in billing revenue. The division is currently facing costs for licenses, equipment maintenance, mail software, paper stock and envelopes, miscellaneous supplies, vehicle and support. Henry proposes outsourcing of the billing for the printing, folding and inserting, sorting and mailing of the bills. He anticipates a savings of \$10,000 over current in-house costs per FY, plus he expects to achieve improved workflow/resource allocation, increased reliability and decreased redundancies. The Town currently has a Lockbox contract with CDS which they could piggy-back on. CDS is a national company that produces 550 million pieces of mail.

Council member Grossman said identity theft is a huge concern in this day and age and asked for reassurance that the public does not have to worry about ID theft. Henry stated that financial data can be transported via the secure website with encryption and existing securities. The customers that CDS are already working with give him confidence that they have preventative measures in place. Tarkowski said he could get that information for Council member Grossman. He will have Tim Henry try to facilitate a tour of the CDS facility on September 5th and ask that question then.

Vice Mayor Nye said along with the \$10,000 savings it would eliminate the stress. She continued that she asked all those security questions when they first contracted with CDS for the Lockbox program, but it is certainly a viable question and concern. After having toured the facility once before, she was very impressed with the safeguards in place along with the high level of expertise they exhibit. Council member Whiting dittoed the security comments and added that he likes the thought of reallocating those funds elsewhere.

Management Services Director Bill Kauppi said the town has had an existing relationship with CDS for the Lockbox program for the last 2 or 3 years for utility billing collections. It is a highly secure facility with very responsive support people.

Vice Mayor Nye added that the CDS safety features seemed even more secure than the Towns. Kauppi said IT does a good job maintaining strong firewalls for the Town; he does not anticipate any problem with hacking. In addition, the change in the process will be seamless to the customers with the exception of the mailing address and a slight change in the bill format. September 5th tour of the CDS facility will be scheduled by Tim Henry.

5. Discussion regarding addressing false alarms

James Edelstein, Interim Chief of Police, said they receive about 1,200 commercial or residential false alarms a year. He presented a typical scenario that the PD frequently experiences and noted that the cost for each response is approximately around \$42.00. In 2011, 99.5 percent of the 1,275 responses to alarms were for false alarms as were the 1,166 responses in 2012. Most property owner's alarms only go off once a year, but 25 percent do it more than once a year and a smaller percentage do considerably more. One place had 20 false alarm calls in 2011 and 19 in 2012. His initial estimate of cost over the last ten years is about \$484,500.00 (dispatch, officer time and vehicle). The most consistent cause for false alarms is poor training in the arming/disarming of the system, carelessness or lack of repairs to the system.

Edelstein said, "What are we doing right now?" The Arizona Revised Statute §10-01-040(D) is one they would use but can't as it is a criminal code and no business or residence owner who accidentally causes a false alarm deserves a criminal conviction.

Edelstein presented three options. Option #1 suggests a revision to town code to allow third party enforcement of false alarms - outsource the job. During the first six months he does not suggest fines just notifications providing education, not enforcement. Property owners would be allowed one false alarm per year. The second false alarm would result in an assessment. He stressed he is looking for cost recovery, not to penalize anybody. After six months, he suggests the Town start a permitting process and provide for civil assessments rather than criminal penalties only to owners/operators who have repeated false alarms. If the permit and notification process is outsourced, it will be at no cost to the Town as a portion of the assessments and permit fee will come back to the Town. Several third party companies exist that offer this service.

Option #2 entails using the same process noted in Option #1 although manage it in-house. The challenge is the PD does not have the people or the infrastructure. There is a software cost and determining the responsible party could be time consuming. The City of Prescott has this system and they face some significant frustration as a PD in enforcement of the code in this area as it is difficult to find the responsible person. He would add, to both options, that the Town require alarm companies to make two attempts of contact, one to the owner and one to the manager.

Option #3 is a Verified Response program which has been instituted in several jurisdictions in Arizona, but it is not a policy supported by the alarm association nor does he support it. It requires the owner to check out the alarm at the place of business before the police become involved. It is a dangerous option for the citizen. It does drive down the number of false alarms by about 75 percent in a year.

Option #4 is do nothing. No change to false alarm enforcement costs about \$50,000 to respond to these over a year.

Council member Whiting questioned the difference between civil and criminal response in terms of enforcement. From the civil standpoint it sounds like it does not require a response. Edelstein said the initial call would require a police response. What they would do is levy a civil sanction/cost recovery fee against those that have multiple alarms a year. A criminal sanction requires him to send a police officer to the location and actually give them a citation and have them sign it, in addition to the time they have already spent responding to the false alarm.

Council member Whiting questioned what the protocol would be to distinguish between a break-in or not before responding. Edelstein said they will continue responding, but will put education (on line) and civil sanctions into play against the property owner who has multiple false alarms. There is no one particular type of business that this happens to – it is across the board. However, it happens frequently at schools. Edelstein said 620 hours a year is spent responding to all false alarms in town. Using the recommended Option #1 would cost the town nothing unless there was an appeal process. Some form of revenue will come in depending on the fine structure and permit fee set by the Town.

Vice Mayor Nye said she is frustrated by this need because this is irresponsibility we are dealing with. Her neighborhood has had a lot of tragedies and she hates to think that the PD was responding to a false alarm when they are needed elsewhere for a serious situation. However, she doesn't want to be punitive. She is pleased that Option #1 is not punitive. It calls for accountability and responsibility. Citizens and business owners can take it upon themselves to be more responsible.

Council member Grossman said years ago when he was in retail they had a Verified Response alarm program with him as the contact person. At that time he wondered what he was supposed to do when he got to the site. He was the one in the vulnerable position. He also expressed concern about the letters that will come in regarding the use of a third party – mostly from the businesses. He asked if the fines would be escalating corresponding to the number of times the police had to respond. The fines being proposed are not escalating, according to Edelstein, who said the fines would be a set/flat fee based on cost recovery. He also confirmed that the police would not stop responding after a certain number of false alarms saying the one time they did not respond could be a real problem. The ratio of alarm systems, businesses to residences with alarm systems, is much different as the businesses need that protection. Eighty percent of the false alarms are caused by twenty percent of the users. It is important to remember that they experience the same problems with residential alarms. Edelstein said deactivation is not normally a problem. Edelstein responded to Mayor Skoog that they would respond to all alarms. Option #1 was acceptable to the council. Edelstein said staff will bring it back in a month's period. Tarkowski said this would entail a town code change, but it is important to get it away from the criminal side and move it to the civil side.

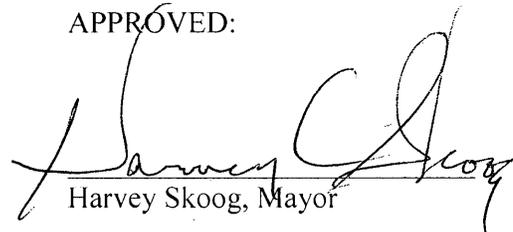
6. Adjournment

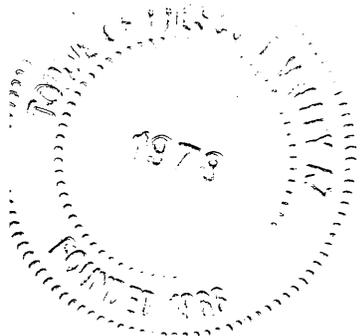
Mayor Skoog adjourned the meeting at 6:35 pm.

ATTEST:


Diane Russell, Town Clerk

APPROVED:


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, August 15, 2013.

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

Dated this August 21, 2013



Diane Russell, Town Clerk