

**TOWN OF PRESCOTT VALLEY
REGULAR COUNCIL MEETING
MINUTES
July 12, 2012**

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. INVOCATION

Pastor/Vice Mayor Tjiema gave the invocation.

3. PLEDGE OF ALLEGIANCE

Vice Mayor Tjiema led in the recitation of the Pledge of Allegiance.

4. ROLL CALL

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

Absent: Council Member Lasker.

5. SCHEDULED ANNOUNCEMENTS & PRESENTATIONS

a. ADOT for Viewpoint Bridge Enhancements

Public Works Director Norm Davis showed slides of the local architecturally enhanced ADOT bridges, roadway median and multi-use path. The Town became involved in the ADOT projects at the invitation of ADOT to add the aesthetic/artistic enhancements to the projects. On the Highway 69 project, the Arts and Cultural Commission added several aesthetic enhancements to the Multi-use Path and the landscaped median. Parks & Recreation Director Brian Witty introduced attending Arts and Cultural Commission members Dr. Franki Gibson, Susan Dusky and Helen Ruddel. The Arts and Culture Commission provided input to each of the more recent projects at the Viewpoint overpass and SR 69.

A plaque was presented to ADOT's Greg Gentsch as a token of appreciation for all of his hard work in ADOT's partnership with the town on these projects. Mr. Gentsch expressed his appreciation to the town and commented that Norm is one of the harder working engineers he works with. He encouraged the town to stay involved in the enhancements of ADOT projects.

Council members thanked Greg for making everything look so nice. Council member Nye commented that the SR 69 enhancements were an opportunity for community members to add a personal and lasting piece of themselves to the project.

b. Chamber of Commerce

Karen Benson, representing the Chamber, introduced Michell Hacker, owner of Arizona Dreams Gymnastics Academy, who gave an overview of the services they provide. They are located at 7175 E. Second Street; phone 759-3435.

Karen also announced the Tuesday, July 17 7:00 a.m. Chamber Quarterly Breakfast meeting at StoneRidge Grill which will be a meet the candidate forum.

c. Sunrise Lions Club - Dave Snyder

Mr. Dave Snyder Vice President of the Sunrise Lions Club came forward to thank the town for the use of town property for their paper recycling project. They have done this project for at least ten years. Proceeds from the project are donated to local charities and charitable causes mostly related to kids i.e. Prescott Valley children's eye care, school nurse needs, flags for first graders, camp, and Yavapai Family Advocacy Center, college scholarships and the purchase of new eye scanners. They have also taken tons of paper out of the landfills and helped in the process of recycling paper for various uses thus saving thousands of trees (approximately 20 – 25 tons of paper per month). Each Council Member and the Town Manager was given a Certificate of Appreciation by the Lions Club.

Council member Anderson thanked the group for the work the Sunrise Lions do on this project. Six members of the club came forward to introduce themselves. Drop off points are located at Bob Drive (former town hall), by the new fire station on Judy Circle, Safeway, Fry's, and most of the elementary and high schools, Circle K on west SR 69, StoneRidge Community Center, United Methodist Church and the car wash by Viewpoint Bridge. Newspapers, magazines and phone books are welcome. Town Manager Tarkowski complimented them for the long-time service to the community over the last 20 years.

6. MAYORS RECOGNITION of Dr. Dan Morris, Windsong Medical Associates (added July 11, 2012 10:30 a.m.)

Mrs. Nita Morris accepted the Mayor's Recognition Certificate for her husband Dr. Dan Morris who has been a practicing physician in PV for the past 30 years. Dr. Morris was unable to attend due to a vehicle breakdown. Mrs. Morris thanked Council for the honor and introduced their staff members Robin Rankin and Kara.

7. CERTIFICATES

a. Certificate of Appreciation to Ray Smith for 5 years of service

Town Clerk Diane Russell read the accolades about Ray Smith submitted by Norm Davis Public Works Director. Council expressed their appreciation to Ray. Ray commented that he retired from Maricopa County Department of Transportation six years ago. He saw the ad for an engineer in the paper, applied, got the job and is thankful to be here. Mayor Skoog presented Ray with a Certificate of Appreciation and a 5-year pin.

b. Certificate of Appreciation to Ron Pine for 5 years of service

Town Clerk Diane Russell read the accolades submitted by Ray Smith about Ron Pine. Vice Mayor Tjiema thanked Ron and complimented him on the fine job he did on Robert Rd. Vice Mayor Tjiema presented Ron with a Certificate of Appreciation and 5-year pin.

Ron expressed his appreciation for the opportunity to work for the town. It has been a challenging 5 years. He looks forward to the next 5 years.

8. COMMENTS/COMMUNICATIONS

Council member Nye asked how many knew, through a show of hands, that Council member Mallory has promoted and is bringing the 9/11 Healing Fields here to PV. Nye suggested that Council member Mallory tell them about the project.

Council member Mallory said we always hold an event to remember those that were lost in the 9/11 tragedy. Because she was able to participate in the Tempe Healing Fields she decided that we should hold our own Healing Field here in Prescott Valley between town hall and the police department. The goal is to have 3,000 flags flying, each representing a life lost that day. We live in a great county and we can never forget all that has been given for it. "As you drive past the field this year, you will be able to stop, remember and think about all that has been given to us. This is still the greatest country that we could ever live in. God has blessed it and we can never forget that." Mallory invited people to volunteer in the project along with her. Flags can be purchased on the website (www.healingfield.org/prescottvalley) for \$20.00 per flag for the field or people can also call Council member Mallory. This is a community event. The flags will be flying from September 8 through 12, 2012. Council member Nye stated that about 150 volunteers are needed to set the flags up. She can be reached through the town or go online to lnye@pvaz.net to volunteer.

9. CONSENT AGENDA

a. Approval of Minutes of June 21 Work Study & June 28, 2012 Regular

b. Approval of a new Series 10 Liquor License for Hwy 69 Market located on 8470 East State Route 69, B-Desh Enterprises LLC; Theresa June Morse, applicant

c. Approving Accounts Payable for June 16 thru 30, 2012

Council Member Mallory made the MOTION, seconded by Council Member Anderson, to approve all items listed on the CONSENT AGENDA, by electronic vote. MOTION carried with 6 ayes and 0 nays.

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

a. *Consideration of appointing Judith Berry to Arts & Culture Commission to a term with a renewal date of June 30, 2013*

Vice Mayor Tjiema commented that one position on the Arts and Culture Commission became open when Charley Ables submitted her resignation on February 27, 2012. Ms. Ables was first appointed to the Arts and Culture Commission on January 13, 2011 to a term with a renewal date of June 30, 2013.

One application was submitted for the Arts and Culture Commission. Vice Mayor Tjiema, Council members Patty Lasker and Michael Whiting conducted the interview and recommend the appointment of Judith Berry to fill the existing term on the Arts and Culture Commission made open by Charley Ables resignation with a renewal date of June 30, 2013.

Judith Berry came forward and introduced herself stating that she has a lot of experience working with the writing of grants and creating community art projects. She is excited.

Council Member Whiting made the MOTION, seconded by Council Member Mallory, to appoint Judith Berry to the Arts and Culture Commission to a term with a renewal date of June 30, 2013, by electronic vote. MOTION carried with 6 ayes and 0 nays.

b. *Consideration of appointing Danny Avalos to the Parks & Recreation Commission to a term with a renewal date of June 30, 2013*

Vice Mayor Tjiema commented that one position on the Parks and Recreation Commission became open when Donald Rollins submitted his resignation on January 11, 2012. Mr. Rollins was first appointed to the Parks and Recreation Commission on August 9, 2007. He served three (2) consecutive terms with the last term renewal date of June 30, 2013.

One application was submitted for the Parks and Recreation Commission. Vice Mayor Tjiema, Council members Patty Lasker and Michael Whiting conducted the interview and recommend the appointment of Danny Avalos to fill the existing term on the Parks and Recreation Commission made open by Donald Rollins resignation with a renewal date of June 30, 2013.

Danny Avalos introduced himself. Avalos said he looks forward to holding the position, serving and working with the great people of this community.

Council Member Whiting made the MOTION, seconded by Vice Mayor Tjiema, to appoint Danny Avalos to the Parks and Recreation Commission to a term with a renewal date of June 30, 2013, by electronic vote. MOTION carried with 6 ayes and 0 nays.

11. COMMENTS FROM THE PUBLIC

Mayor Skoog commented that we would be holding the Community Facilities District meeting following this regular council meeting. He realizes that many of those in the audience are from Pronghorn Ranch CFD. If they want they may come forward now.

Public Comments Pronghorn Ranch CFD Residents:

1. Ms. Helga Franz read a prepared statement regarding the Pronghorn Ranch CFD rate increase from \$3.30 up to \$4.80 - a raise of \$1.50 or roughly 45 percent. The statement requested that the rate proposal be returned to the town "to come up with a compromise that takes into account the homeowner's financial needs as well." Twenty sheets of the statements with numerous comments and signatures are attached as a permanent exhibit to these minutes.
2. Mr. Dave Strazusky requested additional information regarding the Pronghorn Ranch CFD rate increase so they could 'weigh' in on it a little more. He received an email that there are two bonds one issued in 2002 and another in 2004. Most bonds are issued with a fixed interest rate. These bonds seem to have been issued with a variable rate which is a floating rate somewhere between 4.5 percent and 7 percent. Why? He did a quick calculation stating that it wasn't such a good deal for the homeowners in Pronghorn Ranch. The \$7 million bond that was issued to a builder that went defunct after it was all done is going to cost them \$14,480,000 over the life of the bond. What does the town receive for administrative fees of the bonds and the fees from when it was first issued over the life of the bond? Mayor Skoog said that too would be discussed.
3. Mr. Deter Franz asked why council does not refinance the Pronghorn Ranch CFD bonds like they did the town's sewer bonds. It is almost unbelievable to him that a 25-year bond is unrefinanceable.
4. Mr. Bill Percorny said many of the homes are upside down in Pronghorn Ranch. What are they to do? They will pay the taxes as they want to stay in their homes. However, every action has an equal reaction. Imagine the reactions to this action. Disposable or discretionary income is a thing of the past. People don't have the money. It is a given economic principal that for every dollar spent in the community that dollar turns over three times. Suppose people put off purchases - PV is going to lose sales tax. He visited every homeowner on his block. Half are retired the other half that are working, state work hours are cut, no overtime at their work, they have reduced health benefits, the amount of money going into pension funds are lower. He is retired and he is not excited about going back to work just so he can pay the taxes. He doesn't expect Walmart to build on Glassford Hill Road. He thinks Walmart has decided that they need to go to markets that are expanding and growing. They are building in China and Mexico, not Arizona. He doesn't see too much promise for us. For every increase in taxes there will be a reaction. He asked that this be taken back to committee and come up with a better package.

5. Mr. Dave Snyder doesn't see that the residents know about this tax increase other than the residents present. He is really active in the area and still only found out about this about a week ago. He suggests putting off the implementation of this until the majority of the residents have some working knowledge of this tax increase. Mayor Skoog said the net amount would be about the same amount they have been paying in the past as it is based on the lower tax value.
6. Mrs. Helga Franz stated that the drop in home values must be taken into consideration. Mrs. Franz questioned why the residents were not informed about this. "Why aren't we getting little notices about this in the water bills?" It sounds suspicious to her. Town Manager Larry Tarkowski responded that the budget was talked about in May, received extensive coverage by the Courier and Tribune. There was a final adoption of the Town's Municipal Budget and conversation about the CFDs in June and it has been on the town's website. It hasn't been a hidden issue. Individual notifications to each home did not happen. The approach taken is the same approach taken since the year 2000. Mrs. Franz asked that this procedure be changed.
7. Mr. Deter Franz commented that the tax base went down because the property values went down. "They will go up again because the county assessor is already trying to get more money. With all the entities that live off the property taxes so that effect if it is there will not last for very long, maybe a year." He continued with they would not expect an individual letter to every resident but the town has a very efficient way of giving notice of town business to the residents with the water bills. It would be nice if there could be a little notice. Town Manager Larry Tarkowski responded that the Town News outlined the budget process last month. Tarkowski commented point well taken that they would like to see a higher level of visibility in the adoption of a CFD budget.
8. Mr. Elias Joron heard about this Tuesday night at the clubhouse. "The only thing being paid on these bonds is the interest, not the principal. If that is the case it will never be paid off." He doesn't think this is in the best interest of the homeowners. When it was negotiated it was not in the homeowner's best interest. Town Manager Larry Tarkowski said we will be going into more detail about the Pronghorn CFD when it is an agenda item. He corrected the misconception that it is not just a payment of interest - principal is included.
9. Mr. Mike Elia, a Pronghorn Ranch resident, stated as a former IT professional he does everything electronically. He doesn't get any paper bills or bank by paper, everything is auto draft. So he didn't see a notice. Town Manager Larry Tarkowski encouraged anyone interested to sign up for direct delivery of the Town News electronically. In addition, he can also get weekly updates on town news rather than just the quarterly newsletter. The website is www.pvaz.net.

12. ADJOURNMENT

Council Member Mallory made the MOTION, seconded by Council Member Nye, to adjourn the meeting at 6:38 p.m., by electronic vote. MOTION carried with 6 ayes and 0 nays.

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 12, 2012.

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

Dated this June 13, 2012.

Diane Russell, Town Clerk