

**TOWN OF PRESCOTT VALLEY
REGULAR COUNCIL MEETING
MINUTES
August 8, 2013**

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

1. CALL TO ORDER

Mayor Skoog called the meeting to order at 6:22 p.m.

2. ROLL CALL

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

3. SCHEDULED ANNOUNCEMENTS & PRESENTATIONS

a. Chief Dan Fraijo - Prescott Fire Department

Chief Fraijo expressed his appreciation for the assistance and support provided by the Town of Prescott Valley for the Memorial Service on behalf of the fire department and families who suffered the loss of the 19 Granite Mountain Hotshots who died on June 30th. This was an enormous event. Over 650 people were involved in the coordination of this event held at Tim's Toyota Center including about 1,500 police officers and honor guard people that participated. An impressive 230 bag pipers and drummers played for the event. Mayor Skoog thanked the Chief and said "we appreciate being able to work with you".

Vice Mayor Nye complimented Chief Fraijo on his grace the day of the Memorial service. That is what he exhibited anytime she had contact with him anytime that day. It was an excruciating day for the Chief who on that day expressed his appreciation to the Town. Nye continued that there is a word called 'community'; and we were a community.

Council member Mallory stated how much we appreciate everything from the Chief and for what the fire departments do every day for us. Our hearts are still broken too. They can call on Prescott Valley for whatever they need.

Chief Fraijo said Prescott Valley is an incredible friend and wonderful neighbor.

b. Gary Miller - Yavapai Downs update

John Yeater gave a brief update about what is happening at the Prescott Valley Race Course. Yeater said they are diligently working on the stables, car race track, the 1st floor club house and starting work on the old Coors Center (indoor center) for rodeo type activities.

Gary Miller said they had some difficulty getting the necessary financing in this economic climate, but noted it is getting much better now. He is very close to getting the financing settled. He had to split the business into a gaming business portion from non-gaming portion to achieve this.

Regarding the fire tragedy of June 30th, Miller continued that they were fortunate to be able to get the stables open prior to the fires so that victims from the fire areas could board their horses. The RV Park next door to the center invited people from the fire zones to come in if they needed somewhere to stay and storage space was provided in some of the fairground buildings for their belongings.

Miller said they have made big engineering efforts at the fairgrounds stressing safety as a priority at the car race track. The main building is open and being used. They have 16 opportunities in the event center being considered.

On the gaming side, it is difficult to find financing for this type of business although the USDA continues to work with them. They have the proper financing for the base with 75 percent of the financing done. They will host horse racing next year for which a tremendous interest has been expressed. Not only will they just have horse racing, they are trying to get the proper private equity firms that have either a casino or people who are very wealthy investors for purse subsidies. This will provide more money for each race which should bring more horses, which should bring more breeding into the area for a better equine industry. More horses, more people, more betting. They survive on the 80 percent off-track betting but there has to be X number of horses in a race. His theory is, you have to have quality racing, a lot of horses, better betting and have the spiral go upward. Miller stated that Senator Steve Pierce has been a spectacular supporter as has Mayor Skoog – “community is the right word”. Mud bogs will be held next week on Friday, with Saturday night car races. Their intent is to hire 750 to 1,000 employees starting next spring; April through October employment. Sixteen people are currently on their payroll with approximately 45 people working in and around as contractors.

Vice Mayor Nye thanked him on behalf of the community for his vision and his tenacity to make this happen. She applauds him and stated that we are fortunate to have him in our community.

Deputy Town Manager Ryan Judy thanked Mr. Miller for his large investment in the community and opening up his stables during the Doce Fire. Some people say there is nothing to do in Prescott Valley, but look at all that will be offered from his facility. It really is a community asset.

Council member Grossman thanked Miller for getting it open and running. He has attended some of the car racing which is a fun family night. He commented that they have a great food concession with good pricing. It is easy to get in and out so parking is not an issue. Miller responded to Grossman that Roller Derby will be a future consideration. The restaurant is not open on the third floor as yet.

- c. *Milt Cannon - Red Shirt Friday Project (Prescott Jazz Society)*
Not available.

4. PROCLAMATIONS (None Submitted)

5. COMMENTS/COMMUNICATIONS

Council member Grossman said Tuesday night was National Night Out against Crime. He thanked the 16 different parties in the communities who participated. It was very educational.

6. CONSENT AGENDA

- a. *Approving Minutes of July 25, 2013 Council mtg.*
- b. *Approving a new Series 10 Liquor License application for DG Retail, LLC dba Dollar General located at 3101 N. Navajo Dr.; Clare Hollie Abel, applicant*
- c. *Approving the FY 2013-14 Agreement with Trauma Intervention Programs for funding in the amount of \$13,005*
- d. *Authorizing the Mayor to sign an Adopt-A-Park Letter of Understanding for George Andersen Park with Superstition Hills Community*
- e. *Approving the Intergovernmental Agreement with Yavapai County Flood Control District for 100% funding for the Tonopah Drive Storm Water Management Project, CIP # E354, in a total amount of \$585,000*

Mayor Skoog introduced Ms. Clare Abel attorney to Dollar General operating in 44 states 20 of which have liquor licenses as an additional convenience. They have 40 licenses in Arizona.

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 7 ayes and 0 nays.

7. OLD BUSINESS

- a. *Consideration of approving the second reading, by title only, and passage of Ordinance No. 773 approving Zoning Map Change ZMC13-001 (Galpin Ford RV Storage)*

Mr. Lowell Sanchez, General Manager of Galpin Ford RV, came forward to thank everyone for helping them through this process and commented that they will meet all the requirements.

Mayor Skoog asked that the Town Clerk Diane Russell read Ordinance No. 773 by title. Russell read Ordinance No. 773, by title only, for the second reading.

Mayor Skoog asked, "Shall the Ordinance Pass? The vote to pass Ordinance No. 773 was approved with 7 ayes and 0 nays.

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

a. Consideration of authorizing the Mayor to sign Resolution No. 1847 adopting and approving a Final Development Plan FDP13-010 (Galpin Ford RV Storage)

Community Development Director Richard Parker commented that Galpin Ford is going to meet all the Town standards as previously stated by Mr. Sanchez. The Planning and Zoning Commission has reviewed and approved the preliminary development plan in conjunction with the recommendation to council on zoning. Staff stands in support of the final development plan and asks for council's approval.

Council Member Mallory made the MOTION, seconded by Council Member Anderson, to authorize the Mayor (or, in his absence, the Vice Mayor) to sign Resolution No. 1847 adopting and approving a Final Development Plan (FDP13-010) for a recreational vehicle storage area for Galpin Ford, by electronic vote. MOTION carried with 7 ayes and 0 nays.

b. Consideration of authorizing the Mayor to sign Resolution No. 1846 approving FDP13-009, AND to sign any agreement under Proposition 207 to permit the operation of two Viewpoint Model Homes and associated off-street parking

Com Dev Director Richard Parker said Council is considering a resolution approving a final development plan which will permit Dorn Homes to move forward with the building of two model homes including parking. At the conclusion of the utility as model homes, these models will be converted to single family residences and the vacant lot that will be used as the parking area for the models will be converted to a single family residence too. The development meets or exceeds all development standards and staff recommends approval.

Council Member Mallory made the MOTION, seconded by Council Member Grossman, to authorize the Mayor (or, in his absence, the Vice Mayor) to sign Resolution No. 1846 approving FDP13-009, AND to sign any agreement under Proposition 207, by electronic vote. MOTION carried with 7 ayes and 0 nays.

c. Consideration of authorizing the Mayor to sign Resolution No. 1848 adopting and approving a Final Development Plan/Plat (FDP13-011) for Granville Unit 8, Phase 2

Com Dev Director Richard Parker said this is the first subdivision plat of the year. Phase 1 was approved for a few lots in January and this is a Phase 2 of Unit 8 comprising 21 lots. This tract for first intended to be used for a church. Mr. Contadino acquired the property as it was no longer going to be utilized for that purpose. He is putting it into production with residential lots. This is the start of what he hopes is the start of a lot of new development in the Town. Parker commented that they are we are grateful for Mr. Contadino bringing this application forth. One difference about this project from those seen in the past is that this one is coupled with approved engineering plans so the construction is actually occurring on site now. What this means is Mr. Contadino is fronting the cost out of pocket as opposed to financing through a bank and entering into an agreement for the bank to front the money, then having to provide sureties in order to be able to record the plat. Mr. Contadino is fronting those improvements, completed to the Town specifications and accepted that the Town will then record the final plat. All criteria have been met for Town code and staff recommends approval of the final development plan.

Mr. Joe Contadino thanked Richard Parker for the opportunity to develop this phase the way they did. They have been able to do the improvements with the exception of the street paving which is scheduled for Monday. The plat should be ready for recording next week. He commented that they are running out of lots as the market has rebounded. They are in the process of improving the next phase of Granville's west side. They have been working with Public Works to oversize the lines to accommodate future growth to the west of Granville. They have been through their first public bid process with Town Clerk Diane Russell and the town staff. The bids are back and they should start the sewer, water, then grading in the next couple of weeks as cash flow is generated. They currently have 60 houses under construction in Granville with 40 of them already sold. They hope to have 100 lots available one year from now.

Council members said construction going on is another good indicator of how the market is improving. Contadino added that people are coming to Town from wherever after selling their house quicker than they anticipated, for more money than they thought, and then get here and they need a house today! Thirteen homes have been sold in the last two weeks.

Vice Mayor Nye thanked Joe Contadino for the trust he showed in this community, as he was the one and only constant developer that made the sacrifices he did and stuck with us. Contadino said it is a two-way street. He has worked well with the staff and hasn't had any real issues.

Deputy Town Manager Ryan Judy said they have heard there is a lack of skilled labor locally and questioned whether Contadino saw that improving. Contadino confirmed that their production falls behind because there are not enough laborers. Competition is high for skilled labor across the states.

Council member Grossman commended Contadino for his efforts and the path he took.

Vice Mayor Nye made the MOTION, seconded by Council Member Mallory, to authorize the Mayor (or, in his absence, the Vice Mayor) to sign Resolution No. 1848 adopting and approving a Final Development Plan/Plat (FDP13-011) for Granville Unit 8, by electronic vote. MOTION carried with 7 ayes and 0 nays.

- d. Consideration of approving an Amendment to the Town Engineer Agreement with Dava & Associates for design services for the Tonopah Dr. Stormwater Management Improvement Project, for a total amount of \$50,020.00

Public Works Director Norm Davis said this project is funded 100 percent by the Yavapai County Flood Control District levy. Earlier tonight Council approved the IGA with Yavapai County for that funding. Staff has selected Dava & Associates to complete the design. He anticipates the design will be done in early fall with award of the contract and construction to begin in spring 2014.

Council Member Mallory made the MOTION, seconded by Council Member Grossman, to approve an amendment to the Town Engineer Agreement with Dava & Associates for design services for the Tonopah Dr. Stormwater Management Improvement Project, for a total amount of \$50,020.00, by electronic vote. MOTION carried with 7 ayes and 0 nays.

- e. Consideration of authorizing the Mayor to sign an Agreement for Consulting and other services with Burgess & Niple, Inc. for the Upper Verde River Watershed Protection Coalition

Water Resources Manager John Munderloh said that Council approved an extension of this agreement last November which was when it officially expired. The coalition consists of municipal governments, Yavapai County and the Yavapai Prescott Indian Tribe that work jointly on the common interest of water. Specifically they have developed some water conservation activities along with a watershed restoration initiative that they received a grant for. Notification was received of a second year's funding of that grant which will be brought forth for council's consideration at the next regular council meeting. This agreement is handled by the Town as the fiscal agent for the Coalition. The Coalition is not a contracting agency, therefore the Town volunteered a few years ago to hold the Coalition's purse strings. For that reason, the Town holds the authority to sign the contract with Burgess & Nipple. This contract has some changes that provide more flexibility for the Coalition as far as directing Burgess & Nipple's efforts in assisting it. The contract also focuses on project support rather than program management. The agreement has been shortened to one year for renewal providing consideration year-by-year.

Munderloh responded to Council member Whiting that future projects include the ongoing watershed restoration project and developing a technical assistance program to small water providers in the area to address water conservation with them.

Vice Mayor Nye made the MOTION, seconded by Council Member Anderson, to approve the one-year agreement for Consulting and Other Services with B&N by the Town and on behalf of the Coalition, by electronic vote. MOTION carried with 7 ayes and 0 nays.

- f. Consideration of approving the reading of Ordinance No. 775 by title only on two separate occasions, and then place the same on final passage amending Town Code Provisions regarding the Adoption of Development Impact Fees to utilize the biennial audit option to help streamline and simplify the process

Deputy Town Manager Ryan Judy said back in 2007 the State Legislature made some substantial changes to the impact fee process. In response to that the League of Arizona Cities and Towns provided a model ordinance which the Town adopted in December of 2011. That ordinance gave the Town two options for oversight of the process. One option was using a committee and the other was using an audit. The Town-hired consultant updating that process is recommending that the Town use the audit provision because it is simpler and streamlines the process.

Council member Whiting added that we are not proposing additional or higher fees, we are just trying to cover those existing.

Judy said additional work is still in progress on this process.

Council Member Grossman made the MOTION, seconded by Council Member Mallory, to read Ordinance No. 775 by title only on two separate occasions, and then place the same on final passage, by electronic vote. MOTION carried with 7 ayes and 0 nays.

Town Clerk Diane Russell read Ordinance No. 775 by title only for the first reading.

g. Consideration of authorizing the Mayor to sign Resolution No. 1845 extending council terms and shortening the alternative expenditure limitation terms in accordance with SB 1454 §22

Town Clerk Diane Russell stated that as you are aware the Town of Prescott Valley, for many years, has held its regular candidate elections in the spring of the odd number of years. Just this past spring the Town held the regular candidate elections electing the mayor, council members and approving the passage and adoption of the alternative expenditure limitation.

Recall also that HB2826 was adopted by the Arizona Legislature last year requiring that all municipalities in the state hold their regular candidate elections in the fall of even numbered years in conjunction with the state and federal elections [consolidated elections]. With that consolidation the election charges will be less given the diversified levels of governments participating. This law takes effect January 1, 2014. As of that date the Town will no longer be able to hold a spring, odd numbered year candidate election. [ARS 16-204]

The passage of HB2826 also created the dilemma of how to adjust the mayor, council members and alternative expenditure limitation terms to meet these new requirements. It was not until the passage of SB1454 this year that the legislature provided that the affected municipalities may lengthen the terms of the elected officials. Shortening the terms was not a provided option.

Therefore, the Mayor and council members elected/reelected in the past spring 2013 election with terms that would have expired in 2017 will now not expire until after the canvas of the fall 2018 election in January 2019. The exception is Council Member Grossman who is completing a two-year term and will have to run for reelection in 2016. [2018 Election: Mayor Skoog, Council member Marshall, Council member Whiting]

Council members elected at the 2011 election [Vice Mayor Nye, Council member Anderson, Council member Mallory] terms will be extended until after the canvass of the fall 2016 election in January 2017.

And because the law also requires that an alternative expenditure limitation election be held at the same time as a regular candidate election that term while not due to expire until the spring of 2017 will have to be shortened. Therefore, the expenditure limitation election will have to go before the voters again in the fall of 2016 along with that particular candidate election.

HB2491 also provides that municipalities use the total number of valid ballots cast for the mayor's seat to be the basis for determining whether a candidate for mayor or council has received a majority of the votes cast. [ARS 9-821.01(D)] No provision was made by the legislature for non mayoral election cycles in this House Bill.

The attached resolution and ordinance provide for adoption of these changes in the law. Russell thanked Ivan Legler, our Town Attorney, for composing those documents.

Deputy Town Manager Ryan Judy said one fear that municipalities have had during this process is that local elections would become lost amidst the federal, state and county elections. The offices for council and the expenditure limitation will appear at the end of what will be a very lengthy ballot given all the potential candidates and propositions. This is very important because it is the municipalities that maintain the daily needs of the citizens. We will need to emphasize to the voters not to become subject to ballot fatigue. We are concerned about it.

Russell responded to Council member Anderson about what effect these mandates would have on all-mail ballot elections. Russell explained that after a lengthy discussion with Yavapai County Deputy Recorder Karen McCracken they both concluded that this legislation is an unfinished product leaving many holes in it with many unanswered questions that the legislature has not addressed. Russell is in hopes that they begin to listen to what the clerks at both the local and county level are trying to tell them. In answer to Council member Anderson's question, Russell said the 2016 consolidated presidential, federal, state, county and local election will be polling place or voting center only. An all-mail ballot election will not be an option. However, voters who are on the Permanent Early Voters (PEV) list will still receive their ballots early via mail. Sixty-five percent of our current 20,245 registered voters are Permanent Early Voters. The remaining thirty-five percent will have to go to a polling place/voting center to cast a ballot. A few issues that still need to be addressed: partisan ballot - the town holds non partisan elections; confusion as non Permanent Early Voters will have to go to polling places/voting centers instead of receiving a ballot in the mail as they have been doing for the past decade - long lines; municipalities in split voting districts.

In response to Council member Marshall, Russell stated that the Council has no choice in this matter; every municipality in the state is required to switch to this election cycle if they are not already on it. These changes are state mandated via HB 2826 and SB 1454 changing Arizona Revised Statutes related to elections. This is not just a case of "Council voting themselves in for another year to keep themselves in power". The Town does not have the choice to shorten the council terms as the new law states we "may lengthen" them only.

In response to Council member Mallory, Russell reiterated that the voters who are on the Permanent Early Voter (PEV) list will continue to get a ballot by mail. The folks who are not on the PEV list will not get a ballot in the mail and will have to go to the polls/voting centers to cast a ballot. As an example, Russell said the Town of Prescott Valley 2013 election was an all-mail ballot election. Everyone that was a registered voter received a ballot in the mail. Now only the voters on the PEV list will receive a ballot in the mail. In addition, the Town is also at the mercy of Yavapai County as to whether they would even permit a requested local all-mail ballot election even if we could get complete participation of the various Yavapai County election bodies (municipalities, school districts, fire districts etc.).

Vice Mayor Nye commented that what she considers “home rule” is an oxymoron.

Council member Grossman commented that once again the thought comes to mind about the umbrage previous Council member Patty Lasker would take. She would be lashing out at this point. He hopes she is watching. Grossman said he was a poll worker at the last three or four elections at the polling centers. He saw the confusion and number of people who received early ballots who carried them in on the day of the election. He does not think that when the state [made these mandates] that they thought ahead. There was no forethought in all of this. He predicts that it will be a total disaster. By the time the voters get down to the bottom of the ballot, they will not want to go any further. He sees a lot of votes not being cast. Partisan ballots will be sent out via (PEV) early ballots and we hold non partisan elections as a council. Voters will interpret it as the [local] candidates belong to a particular party. They [the legislature] have two and a half years to get it figured out and straightened out so people will understand it. He is “hoping for the best, but expecting the worst”.

Council member Mallory commented she “does not want to get mixed up with any federal voting thing”.

Mayor Skoog commented this all began with the lobbying of the Goldwater Institute which is a think tank of brilliant people. “But they are in la-la land when it comes to real issues. They should stick to stuff they know about and understand.” Vice Mayor Nye added that they are “highly uninformed intellectuals”.

Council Member Grossman made the MOTION, seconded by Vice Mayor Nye, to authorize the Mayor (or, in his absence, the Vice Mayor) to sign Resolution No. 1845 extending and shortening terms in accordance with SB 1454 §22, by electronic vote. MOTION carried with 7 ayes and 0 nays.

h. Consideration of approving the reading of Ordinance No. 774 by title only on two separate occasions, then place the same on final passage amending Town Code to reflect recent legislative changes to election laws

Council Member Marshall made the MOTION, seconded by Council Member Anderson, to read Ordinance No. 774 by title only on two separate occasions, and then place the same on final passage, by electronic vote. MOTION carried with 7 ayes and 0 nays.

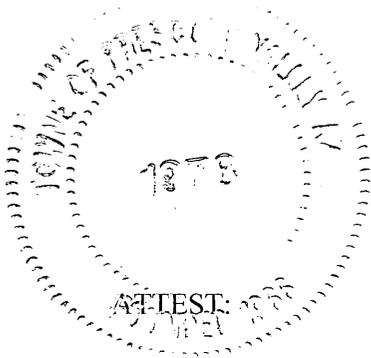
Town Clerk Diane Russell read Ordinance No. 774 by title only for the first reading.

9. COMMENTS FROM THE PUBLIC

No comments were forthcoming.

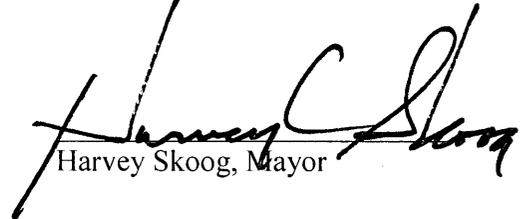
10. ADJOURNMENT

Council Member Mallory made the MOTION, seconded by Marshall, to adjourn the meeting, by electronic vote. MOTION carried with 7 ayes and 0 nays. Mayor Skoog adjourned the meeting at 7:32 p.m.




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 Regular Meeting of the Town Council of the Town of Prescott Valley, held on Thursday, August 8, 2013.

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

Dated this August 12, 2013


Diane Russell, Town Clerk