CITY COUNCIL VOTING MEETING MEETING

VOTING MEETING MINUTES

TUESDAY, MAY 25, 2021, 3:00 PM

201 S. Cortez Street
Prescott, AZ 86303
City Council Chambers

Greg Mengarelli, Mayor

Alexa Scholl, Mayor Pro Tem	Cathey Rusing, Councilmember
Steve Blair, Councilman	Steve Sischka, Councilman
Phil Goode, Councilman	Clark Tenney, Councilman

MINUTES OF THE VOTING MEETING OF THE PRESCOTT CITY COUNCIL VOTING MEETING HELD ON MAY 25, 2021, IN THE 201 S. CORTEZ STREET PRESCOTT, AZ 86303 CITY COUNCIL CHAMBERS.

1. CALL TO ORDER

Mayor Mengarelli called the meeting to order at 3:02 p.m.

2. INTRODUCTIONS /ANNOUNCEMENTS

None.

3. INVOCATION

Rabbi Julie Kozlow with Temple Brith Shalom

4. PLEDGE OF ALLEGIANCE

Councilman Goode

5. ROLL CALL

Greg Mengarelli	Mayor
Alexa Scholl	Mayor Pro Tem
Steve Blair	Councilman
Phil Goode	Councilman
Cathey Rusing	Councilmember

Steve Sischka Councilman
Clark Tenney Councilman

6. CONSENT AGENDA

Items listed on the Consent Agenda may be enacted by one motion and one vote. If discussion is required by members of the governing body, the item will be removed from the Consent Agenda and will be considered separately.

MOTION BY COUNCILMAN SISCHKA TO APPROVE CONSENT AGENDA ITEMS 6.A. THROUGH 6.F., EXCLUDING ITEMS 6.D. AND 6.E. WHICH WERE PULLED FOR FURTHER DISCUSSION; SECONDED BY COUNCILMAN BLAIR: PASSED [7 – 0].

A. Approval of Minutes from the May 11, 2021 Study Session, the May 11, 2021 Voting Meeting, the May 11, 2021 Executive Session, and the May 18, 2021 Budget Workshop.

B. Approval of Renewal for Off-Track Pari-Mutuel Wagering Permit at Matt's Saloon. Location: 112 S. Montezuma Street.

C. Approval of City Contract No. 2021-167 with Yavapai Regional Medical Center for a Base Hospital & Provider Agreement. Funding is Available in the Fire Department General Fund.

D. Approval of RVP21-003, a Revision of Plat for Phases II and III of Walden Ranch Subdivision.

This Item was pulled from the Consent Agenda for further discussion.

Councilmember Rusing commented that she went out to look at the area and asked staff for clarity on if it needed to go to Planning & Zoning Commission first. She asked if the developer had to get a permit to scar the hill.

Planning Director George Worley said that they made a few lots smaller and added additional open space that was not previously there. This type of a revision does not need to go to Planning & Zoning Commission first, no vehicular access easements are the only reason it needs to come before Council. All property is Zoned Single Family 9 or 12 and as part of platting process the developer submits grading/drainage plans. Permits for those plans have been issued or are in the process of being issued at this time. Net result of the changes is a plus to the number of open space lots and a small reduction in two lots.

Mayor Pro Tem Scholl asked for confirmation that this revision will not increase the number of lots.

Staff confirmed.

MOTION BY MAYOR PRO TEM SCHOLL TO APPROVE ITEM 6.D.; SECONDED BY COUNCILMAN BLAIR: PASSED [7 – 0].

E. Approval of RVP21-010, a Revision of Plat for The Preserve at Prescott Removing Lot 16R.

This Item was pulled from the Consent Agenda for further discussion.

Councilmember Rusing commented that she has never seen a situation like this revision where a residential lot in a subdivision boundary is taken out of the subdivision to create a roadway and asked how many acres the new lots are going to be. She added that this property is a wall of beautiful granite boulders and while she supports private property rights she feels it's too bad that city staff didn't work with Council and the developer to create open space on that tract of property.

Planning Director George Worley commented that removing a lot is unusual, but it has been done before. In this case the lot will be removed and in the future connected to an unsubdivided lot to create a frontage allowing for three residential lots. Zoning is SingleFamily 35 which requires one acre per lot and it will be a fire lane and driveway to service the lots. Again this is not required to go to Planning & Zoning Commission under our Land Development Code.

MOTION BY COUNCILMEMBER RUSING TO POSTPONE VOTING ON THIS ITEM UNTIL STAFF CAN RETURN TO THE OWNER AND SEE IF HE WILL SELL THE PROPERTY TO THE CITY FOR OPEN SPACE. MOTION DIED DUE TO LACK OF SECOND.

Councilman Blair commented that the strip mining adage is ridiculous. This is an area of beautiful homes and the developer will be donating land for parking for trail access. He supports private property rights and gives him credit for developing for our community.

City Manager Michael Lamar commented that Mr. Worley and Planning Staff is to administratively process applications, it is not their purview to take legislative license to decide if an individual parcel needs to be preserved. If there is a desire to change that process he would have concerns regarding fairness and equity of how that is administered.

MOTION BY COUNCILMAN SISCHKA TO APPROVE ITEM 6.E.; SECONDED BY COUNCILMAN BLAIR: PASSED [6 – 1] COUNCILMEMBER RUSING DISSENTING.

F. Approval of City Contract No. 2021-160 for the Acceptance of a Federal Aviation Administration (FAA) Grant in the Amount of $864,736 for Expenses Related to the New Passenger Terminal at Prescott Regional Airport - Ernest A. Love Field.

7. CONSENT ORDINANCE

MOTION BY MAYOR PRO TEM SCHOLL TO ADOPT CONSENT ORDINANCE ITEM 7.A.; SECONDED BY COUNCILMAN SISCHKA: PASSED [7 – 0].

A. Adoption of Ordinance No. 2021-1759 Authorizing the Purchase and Acceptance of Real Property from Manzanita Village Cohousing HOA, Inc. for a City Water Main Extension Project.

8. LIQUOR LICENSES

A. Public Hearing and Consideration for a New Series 12 Restaurant Liquor License Application from Rexford Jason Moffett, Applicant, for Red, White & Brew. Location: 200 E Gurley Street.

Applicant addressed Council regarding their 2/3 menu and reduced hours as they get up and running. They have another restaurant in Mesa and look forward to having one here in Prescott.

Mayor Mengarelli thanked them for investing in our community.

MOTION BY MAYOR PRO TEM SCHOLL TO CLOSE THE PUBLIC HEARING; SECONDED BY COUNCILMAN BLAIR: PASSED [7 – 0].

MOTION BY MAYOR PRO TEM SCHOLL TO APPROVE ITEM 8.A.; SECONDED BY COUNCILMAN BLAIR: PASSED [7 – 0].

9. REGULAR AGENDA

A. Public Hearing Regarding the City of Prescott Draft 2021 CDBG Annual Action Plan to 1) Accept CDBG Entitlement Funds from the US Department of Housing & Urban Development (HUD) in the Amount of $251,857; 2) Approve the 2021 CDBG Annual Action Plan & Authorize Staff Submittal to HUD; and 3) Close the Public Hearing.

CDBG/Community Development Coordinator Michelle Chavez provided a presentation to Council regarding the annual action plan that is required annually. Since last public hearing staff was contacted by HUD and advised that more funds were received than were originally anticipated ($3600 more than was originally calculated).

Funds are divided based on HUD requirements (65% construction, 20% to public service, 15% to administration) and the CDBG Citizens Advisory Committee reviews all applications. Program is similar to last year's program, with a few new projects for job training for low-moderate income youth and construction projects over several years.

Proposed Projects 2021:
* Public Service Projects
    - Arizona Serve of Prescott College $8,000
    - The Launch Pad Teen Center $5,000
    - People Who Care $12,150
    - New Horizons Disability Empowerment Center $12,150
* Construction Projects
    - Agape House of Prescott $50,000
    - Prescott Area Shelter Services (PASS) $6,000
    - The Launch Pad $50,000
    - Boys & Girls Club of Central AZ $35,000

<u>Next Steps:</u>
* Submit to HUD for approval
* Work with agencies on bids, agreements, reports and environmental assessment
* Begin work after all reviews and signed agreements.

Councilmember Rusing asked what percent of the funds are spent on administrative fees.

Ms. Chavez said they cannot exceed 20%

Councilman Goode commented that having the agencies understand how to navigate the requirements lends itself to multi-year applicants. Staff has spent time working with the community to try and accomplish more broad awards of the funds, but still have repeat applicants. He would like to see some way that the organizations are held accountable and meeting their goals/functions.

Ms. Chavez responded that staff has done extensive communication on the program and did receive some additional public service applications this year but no new construction applications. Plan to do more marketing this fall. Typically these are multiyear projects which is why many of them come back for several years and then don't see them when they've completed their projects. All contracts are legally binding and if the outcomes are not being met in order to provide the reports to HUD they can be cancelled.

Councilman Tenney thanked staff for the presentation and added that there should be a broader outreach and the committee has focused on that. There were repeat applicants who were denied so it isn't an automatic award of funds and the committee is thoughtful about how they are awarding the grants.

MOTION BY COUNCILMAN SISCHKA TO ACCEPT CDBG ENTITLEMENT FUNDS IN THE AMOUNT OF $251,857 FROM HUD; SECONDED BY COUNCILMAN BLAIR: PASSED [7 – 0].

MOTION BY COUNCILMAN SISCHKA TO APPROVE THE 2021 CDBG ANNUAL ACTION PLAN & AUTHORIZE STAFF SUBMITTAL TO HUD; SECONDED BY COUNCILMAN BLAIR: PASSED [7 – 0].

MOTION BY COUNCILMAN SISCHKA TO CLOSE THE PUBLIC HEARING; SECONDED BY COUNCILMAN BLAIR: PASSED [7 – 0].

B. Approval of City Contract No. 2021-108 with Technology Construction, Inc., for the State Route 69, 16 Inch Water Pipeline Project in the Amount of $907,694.00; and Approval of City Contract No. 2019-236A1, an Amendment to City Contract No. 2019-236 with Entellus, Inc. for Post Design Services in the amount of $23,291.50. Funding is Available in the Water Fund.

Utilities Manager Eric Bay provided a presentation to Council regarding the project which is part of a larger ongoing project. This portion is being expedited due to ADOT's planned expansion in that area to avoid tearing up improvements. Will provide reliability in sending water to future Zone 56 tank and Zone 7 tank which serves many of the businesses along Hwy 69.

Councilmember Rusing emphasized that this is an important commercial corridor and it is important to keep up with development in the area.

Councilman Goode commented that it is a good idea to move this project forward.

MOTION BY COUNCILMAN GOODE TO APPROVE CITY CONTRACT NO. 2021-108; SECONDED BY COUNCILMAN TENNEY: PASSED [7 – 0].

MOTION BY COUNCILMAN GOODE TO APPROVE CITY CONTRACT NO. 2019-236A3; SECONDED BY COUNCILMAN TENNEY: PASSED [7 – 0].

C. Approval of City Contract No. 2021-173 with Granite Basin Engineering, Inc. for the Penn Avenue/Eastwood Drive Improvements Project, in the Amount of $254,592.00. Funding is Available in the Streets, Water, and Wastewater Funds.

Public Works Director Craig Dotseth provided a presentation to Council regarding the project. An original design was completed in August 2019 and several utilities in the area had aging utilities that had to be replaced since that time including Century Link, APS and one other. Utilities have been relocated and so design has to be updated to reflect the new locations. Design completion is anticipated to be the week of July 26 and will then go out to bid for construction with the goal of project completion in July 2022.

Councilmember Rusing asked if this is new water or sewer mains. And asked if there are any plans for sidewalks.

Mr. Dotseth responded that this will be the complete replacement of water and sewer, drainage improvements, pavement/curb/gutter improvements and basin replacement. There are some sidewalks but not in the entire area, it is very narrow along northern portion of Eastwood and that is why it is not included. Have to balance ability to improve neighborhood and costs.

MOTION BY MAYOR PRO TEM SCHOLL TO APPROVE ITEM 9.C.; SECONDED BY COUNCILMAN SISCHKA: PASSED [7 – 0].

D. Adoption of Ordinance No. 2021-1760 Authorizing the Sale of Real Property to Yavapai Humane Society.

Assistant to the City Manager Tyler Goodman provided a presentation to Council regarding the sale of 13.34 acres where the Humane Society is located. Notice published on three occasions, and bid for the property is $600,000.

Councilmember Rusing asked if the sale will generate $600,000 or less because of costs. She asked what the proceeds will be used for and said she believes it should go toward the note for the new city hall.

Mr. Goodman said the Humane Society will cover closing costs so it will be $600,000.

City Manager Michael Lamar added that it is reasonable to assume that the funds could payoff the internal loan and Council can vote on that.

Councilman Blair said that he thought that we already discussed and agreed to the sale of any city property going toward paying that off.

Councilman Goode echoed that and commented that the sooner we can get it paid off the better.

Mayor Mengarelli concurred.

Mr. Paladini said the previous motion was broad, but we can make a motion that the proceeds go toward payoff of the internal loan for the building at 201 S. Montezuma Street as part of this motion.

MOTION BY COUNCILMEMBER RUSING TO ADOPT ITEM 9.D. AND DIRECT THE PROCEEDS TO THE PAYOFF OF AN INTERNAL LOAN FOR THE PURCHASE OF THE NEW CITY HALL BUILDING; SECONDED BY COUNCILMAN GOODE: PASSED [7 – 0].

E. Approval of City Contract No. 2020-143A2, an Amendment to City Contract No. 2020-143 with Willdan Engineering for Ongoing Building Support Services in the Amount of $85,000. Funding is Available Through the General Fund with Partial Cost Recovery.

Community Development Director Bryn Stotler provided a presentation to Council regarding the amendment to Willdan's contract, Amendment 1 was approved to extend into current fiscal year and since that time both the Lead Building Inspector and Chief Building Official have left the city, which crippled plan review here at the city. Staff was able to assign a second inspector to fill that gap, this costs approximately $10,000/mo. Outsourced 50-60 additional reviews to Willdan due to understaffing.

MOTION BY COUNCILMAN BLAIR TO APPROVE ITEM 9.E.; SECONDED BY COUNCILMAN SISCHKA: PASSED [7 – 0].

F. Approval of COVID-19 Vaccine Administration Reimbursement for Spectrum Healthcare Group and Dignity Health - Yavapai Regional Medical Center in the Amount of $100,000 Each.

Assistant to the City Manager Tyler Goodman provided a presentation to Council regarding the reimbursements that were previously approved by Council. Staff received applications from Spectrum and Dignity Health in the full amount of what was previously approved by Council. Both have met qualifications with Spectrum expended approximately $300,000 and Dignity Health expended approximately $200,000. Spectrum has received $50,000 from City of Cottonwood and Dignity Health has not yet received any funding.

Mayor Mengarelli added that Council was waiting on the County to possibly award funds, but as nothing has been issued yet determined that it was time to move forward with awarding funds to these organizations.

Councilmember Rusing expressed her appreciation to these groups for helping our community. It was an outstanding effort with volunteers.

Councilman Goode commented that there was some delay in determining how much the city would be able to provide based upon expectation that the County was also going to step in and asked Mr. Goodman to speak to that. He is glad we are able to make a contribution to their efforts.

Mr. Goodman commented that he has been in touch with the county regarding what they would do, and at this time they have not determined an amount of what funds would be used for these awards. Looking at possibly using ARP funds which will take some time.

Mayor Pro Tem Scholl thanked Spectrum and YRMC for their efforts.

Councilman Tenney echoed Mayor Pro Tem Scholl's comments, and added that PUSD was able to set up clinics and have high vaccination rates because of their work.

MOTION BY COUNCILMAN SISCHKA TO APPROVE ITEM 9.F; SECONDED BY COUNCILMAN BLAIR: PASSED [7 – 0].

G. Legislative Update.

Assistant to the City Manager Tyler Goodman provided a presentation regarding the ongoing legislative session and the work being done in regard to the Budget. There is still discussions taking place regarding how and if cities will be held harmless of the proposed base tax. If bills don't pass floors by Wednesday or Thursday of this week that is a good sign, but don't know for sure.

Mayor Mengarelli commented that none of the democrats are supporting the budget and Representative Cook in the House is also not supporting it.

Mr. Goodman confirmed.

This item was for discussion only, no formal action was taken.

10. ADJOURNMENT

Quote: "The only thing worse than being blind is having sight but no vision." - Helen Keller

There being no further business to discuss, Mayor Mengarelli adjourned the meeting at 4:05 p.m.

GREG MENGARELLI, Mayor

ATTEST:

SARAH M. SIEP, City Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Voting Meeting of the City Council Voting Meeting of the City of Prescott, Arizona held on May 25, 2021. I further certify the meeting was duly called and held and that a quorum was present.

Dated this 8 day of June, 2021.

AFFIX
CITY
SEAL

Sarah M. Siep, City Clerk