



CITY COUNCIL VOTING MEETING MEETING

VOTING MEETING MINUTES

TUESDAY, MAY 11, 2021, 3:00 PM

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

Greg Mengarelli, Mayor

Alexa Scholl, Mayor Pro Tem
Steve Blair, Councilman
Phil Goode, Councilman

Cathey Rusing, Councilmember
Steve Sischka, Councilman
Clark Tenney, Councilman

MINUTES OF THE VOTING MEETING OF THE PRESCOTT CITY COUNCIL VOTING MEETING HELD ON MAY 11, 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 3:01 p.m.

2. INTRODUCTIONS / ANNOUNCEMENTS

Mayor Pro Tem Scholl welcomed former Councilwoman Mary Anne Suttles to the meeting and encouraged everyone to thank all first responders this week.

3. INVOCATION

Pastor Kendra Hobson with St. Luke Ebony Christian Church

4. PLEDGE OF ALLEGIANCE

Mayor Mengarelli

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. PROCLAMATIONS

A. Salvation Army Week: May 10th - 16th

Councilman Tenney presented the Proclamation

B. EMS Week: May 16th - 22nd

Councilman Blair presented the Proclamation

C. Mental Health Awareness Month: May 2021

Mayor Mengarelli presented the Proclamation

7. 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 MAYOR PRO TEM SCHOLL TO APPROVE CONSENT AGENDA ITEMS 7.A. THROUGH 7.E.; SECONDED BY COUNCILMAN SISCHKA: PASSED [7 – 0].

- A. Approval of Minutes from the April 27, 2021 Executive Session, and the April 27, 2021 Voting Meeting.
- B. Approval of City Contract No. 2019-078A2, an Amendment to City Contract No. 2019-078 with Matrix New World Engineering for Continued Services Related to Comprehensive Agreement No. 1, in the Amount of \$42,891.00. Funding is Available in the Water Fund.
- C. Approval of City Contract No. 2021-094A2, an Amendment to City Contract No. 2021-094 with Capital Improvements LLC for the FY20 Miscellaneous Concrete Repairs & Demerse/Morell Storm Drain Project in the Amount of \$55,000. Funding is Available in the Streets Fund.
- D. Approval of City Contract No. 2019-030A1, an Amendment to City Contract No. 2019-030, with Terracon Consultants, Inc. in the Amount of \$70,000 for On-Call Professional Services. Funding is Available in the Streets Fund.
- E. Approval for the Fire Department to Apply for Various Fiscal Year 2022 Grant Funding Opportunities.

- F. Approval of City Contract No. 2021-172 with the Launch Pad Teen Center in the Amount of \$50,000 and Acceptance of Low Bid of \$98,793.21 from Ridgeline Builders for the Construction of Four New Bathrooms at The Launch Pad Teen Center as Part of the Approved 2020 CDBG Annual Action Plan. The City of Prescott CDBG portion will be \$50,000.

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

Councilman Goode expressed his concerns regarding the complicated nature of the CDBG Application process and stated that he feels that only the organizations that understand the process are repetitive applicants and end up becoming dependent upon those awards. The Launch Pad Center came forward 4-5 years ago when they were trying to put together programs and they continue to expand, he asked if these bathrooms are in addition to facilities that already exist.

Planning Director George Worley responded that it is a partial replacement of existing bathrooms and an addition of two more restrooms, will ensure that everything is up to code as well.

Councilman Goode commented that it is important to provide benchmark and measurements for applying organizations to ensure they are performing as was expected of them and need balance between things for all low-moderate income programs.

CDBG Citizens Advisory Committee Chair Mary Anne Suttles echoed Councilman Goode's comments and responded that the process does tend to have the same applicants but staff has worked very hard to get more people to apply than have in the past.

Councilman Tenney added that the issue doesn't lie in the system of how the Committee is looking at things but rather in the number of applicants themselves.

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

8. CONSENT ORDINANCE

MOTION BY COUNCILMAN SISCHKA TO ADOPT CONSENT ORDINANCE ITEMS 8.A. AND 8.B.; SECONDED BY COUNCILMAN BLAIR: PASSED [7 – 0].

- A. Adoption of Ordinance No. 2021-1756 Authorizing the Purchase and Acceptance of Various Easements and Real Property for the City's Sundog Trunk Main Phase C2 Capital Improvement Project.
- B. Adoption of Ordinance No. 2021-1758 Authorizing the Purchase and Acceptance of Real Property for the City's Sundog Ranch Road Lift Station.

9. REGULAR AGENDA

- A. Approval of City Contract No. 2021-166 with Earth Resources, LLC for the Streets Division Snow Equipment Facility Grading Project in the Amount of \$530,830. Funding is Available in the Streets Fund.

Public Works Director Craig Dotseth provided a presentation to Council regarding the project which includes demo of existing sludge beds, work on roadway access, fence changes/additions and completion of a finished pad for Phase 2 of the project. All removed material will be crushed and sold or used for other projects. Existing snow equipment facility presents a number of safety issues and is not conducive to the work staff needs to do, this project will remedy that and will help with the movement of the streets operations.

Councilman Goode asked if the cost of this project is just for the foundation of the storage facility and asked how much the total cost of the facility will be and what security will be. He feels it is important for us to make a decision on how much this facility will cost the city.

Mr. Dotseth said this project will cover all of the previous items listed and added that fence and security are already in place. At this time there is not an estimate on the total cost of the project as it will take place over several fiscal years.

Councilman Goode said he can't vote for funding for the first step of this without knowing the total cost of the facility.

Mayor Mengarelli asked if there is any idea on timing for the completion of the project or the vertical coming out of the ground.

Mr. Dotseth commented that it will be done in phases, beginning with the simple structure in FY22 to hold up pieces of equipment and the catwalk structure next to the platforms which is estimated at \$1 million. Down the road the overhead structures would go in and unsure on the timing or costs after the decommissioning of the treatment plant after FY23.

Councilmember Rusing commented that she supports Public Works and their efforts to maintain our infrastructure and increase safety, however, she drove by the site this morning and it appears the sludge beds aren't very deep. She asked if staff has considered filling them in and just pouring slab over it. She also asked what the square footage is for the sludge beds and what the cost is per square foot.

Mr. Dotseth said that would not be allowed per ADEQ standards, and added that there is not a price per square foot. All phases of this project have to be done with the remediation of the site.

Councilman Tenney asked if a future council decided not to build the shelter structure what the advantage to doing this now is.

Mr. Dotseth responded that doing this allows staff to create a safe area for storage, expand storage of equipment but it doesn't have to have the cover on the top if future Council didn't want to.

Councilman Goode stated that he is confused why the full project wasn't presented in advance for Council to understand the full scope of this.

Councilman Blair stated he is not here to micromanage anyone, and he is tired of the shoe stringing of everything that has been done over the years. This is something we need to do right and long range planning does need to be done as well.

Councilmember Rusing asked if the new facility will be large enough to store all snow equipment and future.

Mr. Dotseth confirmed.

MOTION BY COUNCILMAN SISCHKA TO APPROVE ITEM 9.A.; SECONDED BY COUNCILMAN BLAIR: PASSED [6 – 1] COUNCILMAN GOODE DISSENTING.

- B. 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 \$248,199; and 2) Hold the First of Two Public Hearings.

Planning Director George Worley provided a presentation to Council on behalf of Michelle Chavez regarding HUD funding in the amount of \$248,199 for the upcoming CDBG plan year. This amount is a bit higher than usual and does fluctuate year to year depending on federal funding. The Annual Action Plan is incorporated into the City Budget for the plan year.

Mayor Pro Tem Scholl asked what the "match" column is for on the spreadsheet presented by staff, and added that the Launch Pad is bringing nearly \$300,000 for their project which is a big deal.

Mr. Worley responded that applicants are encouraged to provide a match of some kind to complete the projects.

Councilman Tenney added that the CDBG CAC Committee has thoughtful discussion regarding where the funds should go, and not everyone that applies receives funds nor does every applicant receive the amount they ask for.

Councilman Goode stated that Furthering Fair Housing Grants were given during the Obama Administration, and funds given mandated that a certain number of race/color/ethnicity had to be moved into communities in order to keep those funds. He expressed his concern that there may be additional requirements of a similar nature for the CDBG funds.

Mr. Worley responded that staff works with and monitors federal requirements that may impact the allocations to ensure there are no issues. No new changes since the 1990s with CDBG grants. Additionally the city is monitored and audited locally every two years to ensure that everything is being done within HUD standards.

MOTION BY MAYOR PRO TEM SCHOLL TO ACCEPT ITEM 9.B.; SECONDED BY COUNCILMAN SISCHKA: PASSED [7 - 0].

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

C. Legislative Update.

Assistant to the City Manager Tyler Goodman provided a presentation to Council regarding the ongoing legislative session.

General Update:

- * No final word on the budget. House is continuing to work on the proposed \$1.5 billion income tax cut by creating a 2.5% flat tax bracket phased in over three (3) years
- * Cut translates to a \$225 million loss to cities and towns with more than \$1.7 million hit to Prescott annually once fully implemented; shared income tax is 16.5% of general fund budget and public safety expenditures make up 72% of general budget
- * Progress is delayed on agreement to "hold cities harmless" by increasing the percentage of overall state income tax revenue shared with cities and towns.

Preserve Local Funding:

- * HB2668 (Homeless Grants) - Awaiting Senate Rules and amendments are forthcoming
- * SB1146 (Motor Vehicle Dealers TPT Exemption) - Awaiting Conference Committee

Miscellaneous:

- * HB2682 (Tobacco Bill) - Going to House for concurrence and a final vote

Mayor Mengarelli asked if he has heard any specific numbers that may impact the city of Prescott.

Mr. Goodman responded that to hold cities harmless the percentage increase would have to be approximately 19%, however he has not heard a specific amount and discussions have varied. Many legislators are not on board at all, some are partially so it is very up in the air right now. At this point the session is over 100 days and there is an incentive for them to finish the budget but it doesn't seem there is any process specific.

Mayor Mengarelli added that he will be signing a letter requesting a meeting with the Governor and that

any budget would hold cities harmless. He will be reaching out to Karen Fann as well.

Councilman Tenney asked where the budget funds would come from if cities were held harmless. There is a systematic disinvestment in public works in the state of Arizona over the years and that concerns him.

Mr. Goodman said he hasn't heard, but he is sure that other stakeholders are going in and trying to figure that out too.

Councilman Goode asked if HB2682 preempts charter cities.

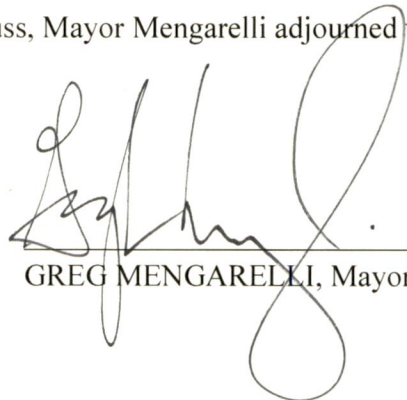
City Attorney Jon Paladini said likely not because Charter Cities after the Tucson case showed that charter cities are independent with regard to elections and buying and selling of real estate almost exclusively. The city does not specifically regulate tobacco sales at this time anyway. But as time goes on charter cities have more limited independence.

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

10. ADJOURNMENT

Quote: "Most people are as happy as they make their minds up to be." - Abraham Lincoln

There being no further business to discuss, Mayor Mengarelli adjourned the meeting at 4:03 p.m.



GREG MENGARELLI, Mayor

ATTEST:



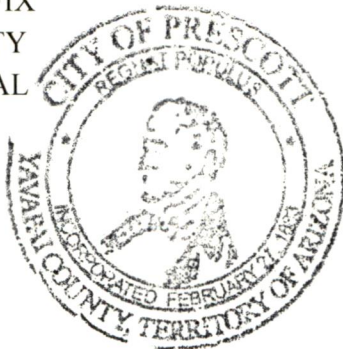
SARAH M. SIEP, City Clerk

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 11, 2021. I further certify the meeting was duly called and held and that a quorum was present.

Dated this 25 day of May, 2021.

AFFIX
CITY
SEAL



Sarah M. Siep

Sarah M. Siep, City Clerk