City of Prescott
City Council - Voting Meeting

January 9, 2024 | 3:00 PM
201 N Montezuma Street
City Council Chambers, 3rd Floor
Prescott, AZ 86301

MINUTES

1. **CALL TO ORDER**
   Mayor Goode called the meeting to order at 3:05 p.m.

2. **INTRODUCTIONS / ANNOUNCEMENTS**
   Mayor Pro Tem Cantelme announced upcoming special hours for City Hall as well as the Prescott Public Library and the Solid Waste Division for Martin Luther King, Jr. Day. She added that Save The Dells has a "celebration of the rocks" display at the Prescott Public Library throughout the month of January.

3. **INVOCATION - Maren Decker with the Church of Jesus Christ of Latter-day Saints Thumb Butte Ward**

4. **PLEDGE OF ALLEGIANCE - Mayor Goode**

5. **ROLL CALL**
   Phil Goode - Mayor
   Connie Cantelme - Mayor Pro Tem
   Lois Fruhwirth - Councilwoman
   Ted Gambogi - Councilman
   Brandon Montoya - Councilman
   Eric Moore - Councilman
   Cathey Rusing - Councilmember

6. **PROCLAMATIONS**

   A. Martin Luther King Jr. Day of Service - January 15, 2024

   Mayor Goode presented the Proclamation.

7. **OPEN CALL TO THE PUBLIC**

   A. Tony Hamer addressed the Council regarding his issues with roads in Prescott as well as roads coming into the city limits. Road technology has progressed over the last twenty years, and he doesn't feel the city is keeping up with that technology. He feels that only contractors that can guarantee they are bringing the best technology and products are selected as part of the strategic goal setting.

8. **CONSENT AGENDA**

MOTION BY COUNCILMEMBER RUSING TO APPROVE CONSENT AGENDA ITEMS 8.A. THROUGH 8.F.; SECONDED BY COUNCILWOMAN FRUHWIRTH: PASSED (7 - 0)

A. Approval of Meeting Minutes from the December 12, 2023 Executive Session, the December 12, 2023 Study Session, the December 12, 2023 Voting Meeting, the December 19, 2023 Executive Session, the December 19, 2023 OML Training Workshop, the December 19, 2023 Study Session and the December 19, 2023 Voting Meeting.

B. Approval of Multiple Contracts for the Purchase of Material and the Application of Crack Seal as Follows: 1) City Contract No. 2024-152 with Superior Supply Inc. in an Amount Not to Exceed $150,673.90 for Crack Seal Materials; and 2) City Contract No. 2024-153 with CBJ Contractors LLC in an Amount Not to Exceed $186,000.00 for the Placement of Crack Seal. Funding is Budgeted and Available in the Street Fund.

C. Approval of City Contract No. 2023-212A1, an Amendment to City Contract No. 2023-212 with Sunland Asphalt to Construct a Fire Access Road, Pursuant to a Settlement Agreement Between the City and Tri-City College Preparatory High School, in an Amount not to Exceed $154,526.00. Funding is Budgeted and Available in the Streets Fund.

D. Approval of Acceptance of Governor's Office of Youth, Faith & Family, STOP Violence Against Women Grant Program in the Amount of $200,000.00 (R.F.G.A. No STOP-GOYFF-010124-00; Contract No. GR-STOP-GOYFF-010124-07), and Approval to Staff Two (2) Grant Funded Detective Positions Over and Above Department Budgeted Positions.

E. Approval of City Contract No. 2024-145 with Prudential Overall Supply for Uniform Services and Other Products & Services for Recreation Services in the Amount of $41,000 Annually Using E&I Cooperative Services. Funding is Budgeted and Available in the Recreation Services Budget.

F. Approval of City Contract No. 2021-110A5, an Amendment to City Contract No. 2021-110 with Cintas for the Purchase and Services of AEDs & First Aid Kits at all City Facilities in the Annual Amount of $34,320. Funding is Budgeted and Available in the Facilities Fund.

9. LIQUOR LICENSE

A. Public Hearing and Consideration for a New Series 12 Restaurant Liquor License Application from Eriko Horikawa, Applicant, for Unsui Japanese Restaurant. Location: 1355 Iron Springs Road.
MOTION BY COUNCILMAN MONTOYA TO CLOSE THE PUBLIC HEARING; SECONDED BY COUNCILMEMBER RUSING: PASSED (7 - 0)

MOTION BY COUNCILMAN MONTOYA TO APPROVE ITEM 9.A.; SECONDED BY COUNCILMEMBER RUSING: PASSED (7 - 0)

10. REGULAR AGENDA

A. Presentation & Discussion from Baker Tilly Regarding the FY2023 Audit Result and Financial Statements.

Finance Director Mark Woodfill introduced Brian Hemmerle with Baker Tilley to provide a presentation to the Council regarding the city's FY2023 audit and financial reports.

Executive Summary:
* The audit of financial statements for FY23 was completed and report issued December 19, 2023
* Financial Statement Audit Report - unmodified opinion
* Government Auditing Standards Compliance Report - no instances of noncompliance or other matters, and no identified material weaknesses
* Federal Grants Single Audit Report
  - Major Program Outdoor Recreation Acquisition, Development and Planning had no findings
  - Major Program Capitalization Grants for Drinking Water State Revolving Fund had no findings

<u>Responsibilities of Auditors Include:</u>
* Plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement; reasonable assurance is a high level of assurance, but not an absolute level of assurance
* Assessing the risks of material misstatement of the basic financial statements whether due to fraud or error
* Performing appropriate procedures based upon risk assessment
* Evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management
* Forming and expressing an opinion based on audit about whether the basic financial statements prepared by management with oversight of those charged with governance - are free from material misstatement, present fairly in all material respects and in accordance with accounting principles generally accepted in the US, and performing tests related to compliance with certain provisions of laws, regulations, contract and grants as required by the Government Auditing Standards
* Communicate significant matters related to our audit that are relevant to the responsibilities of those charged with governance - there were no issues or findings during this portion
* No reportable findings, difficulties, disagreements or misstatements identified
* Non-attest Services - proposing adjusting journal entries affecting the financial statements and preparation of data collection forms for the federal clearinghouse website

<u>Expenditure Limit Report:</u>
* City was $92 million under the Home Rule Expenditure Limitation

* Issued to the Arizona State Auditor General timely
* Single Audit - city expended $21,903,194 of federal funds in FY2023 and received an unmodified opinion on the federal single audit

<u>General Fund:</u>
* Fund balance increased by $10.9 million mainly as a result of stronger than expected local growth in local taxes as well as an increase in shared revenue
* Actual revenues were $4 million more than budgeted
* Actual expenditures were $44.4 million less than budget

Councilman Montoya asked about the differences in actual expenditures and revenues.

Mr. Woodfill confirmed and added that delays on projects, etc. also impacted that by rolling into the next fiscal year and sales tax was significantly higher than expected.

Mr. Hemmerle stated that pages 26-30 are the most important for the general public and Council to understand in the full document provided to the Council.

<u>Enterprise Funds:</u>
* Water Fund - water sales exceeded operating expenses by $2.6 million leading to an increase in net position of $4.4 million
* Wastewater Fund - service fees exceeded operating expenses by $2.8 million leading to an increase in the net position of $1.97 million
* Airport Fund - grant contributions of $10.3 million led to an increase in net position of $8.4 million
* Solid Waste Fund - transfers out of $134,000 led to a decreased net position of $36,000

Mr. Woodfill added that additional revenue brought in will be part of the upcoming budget process as well.

Mayor Goode stated that when budgets are approved often they are also approving acceptance of grant funds, etc. and even if we apply for them and don't receive them they need to be accounted for in the budget.

Mr. Woodfill confirmed, he added that in the single audit the city received and spent nearly $22 million in federal grant funding.

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

B. **SUP23-002**: Special Use Permit to Allow for the Construction of a 80-Foot Wireless Tower Next to the Existing Water Tank a Request to Exceed the Allowed Height Limitation for the Zoning District of 35-Feet. Location: 3599 Williamson Valley Road, APN 800-20-034S. Zoning: Rural Estate 2 Acre (RE-2 acre). Applicant: SmartLink Communications LLC.

Planning Manager George Worley provided a presentation regarding the special use permit. This is a property containing a city water tank site and communication compound south of Pioneer Parkway and east of Williamson Valley Road. Southview subdivision is 1,100 feet away from the northern boundary and 4,000 feet from the southern boundary of the Longview subdivision. He reviewed the proposed site, structure and tower. The proposal is an 80-foot monopole, notice was provided 300 feet out in all directions from the boundary of the property. Mr. Worley continued with an overview of propagation maps related to cellular service in the area and how it would be changed with the addition of a monopole of this nature in the area.

Councilman Moore asked what the height of the existing tower is on the same site.

Mr. Worley responded that it is 60-feet with a device on top that adds approximately 20-feet, but the diameter is less and there is a slight difference in elevation as well.

Councilmember Rusing clarified that the existing tower is for public safety.

Mr. Worley confirmed.

Mayor Pro Tem Cantelme asked what staff's recommendation was for the height of the tower.

Mr. Worley responded that staff would have been able to administratively approve a 40-foot height, which is why that was shown in the proposed simulations. He added that this is a by right application and allowed in any zoning district but functions as a special use permit because of the excess height limit.

Mayor Goode stated that if an 80-foot tower were approved it could be increased to 100-foot without Council approval.

Mr. Worley confirmed, but stated that it would be tied to FCC regulations regarding co-location as well as building and safety review and approval. A 60-foot would be able to increase to 80-feet and also, a lower addition would be possible should the primary carrier chose to do so.

Councilmember Rusing asked if the lease dollars would go to the state.

Mr. Worley confirmed that it would because the lease would be with the State Land Department. He clarified that additional height is not automatic, it is dependent upon another carrier wanting to be added and co-located. This is more than 5,000-feet away from the end of any airport runway and well away from any OEI splay.

Councilman Gambogi asked how many cell phone towers are in Prescott city limits, and how many have been extended in height.

Mr. Worley responded there are roughly 25-30 towers with the oldest likely being the array in downtown, which has been in it's location for at least 40 years. None of these have been increased in height.

<u>Other Information:</u>
* Applicant looked at two other towers to co-locate, however they were out of the search area and did not provide the coverage they are trying to provide
* Height of the existing communications tower is 60-feet to top of the lattice and water tank is 30-feet to the highest point
* Access already exists and not creating a new road

Councilwoman Fruhwirth asked about width of the access road, and asked staff to address concerns regarding lights on top of the tower.

Mr. Worley responded that they are requesting a 20-foot easement which already exists, so there are no plans to widen the roadway to 20-feet. He added that there is an evaluation process between FCC and FAA regarding lighting at 200-feet above where the tower is set is the general rule of thumb, so this is a possibility. However, at 80-feet in height it is not likely, but it will go through the process as required once they have obtained zoning approvals..

Smartlink Representative Mark Sawyer confirmed.

Councilman Moore asked about the topography maps and the difference in topography on the city's tower and tank versus the proposed monopole.

Mr. Worley confirmed it would be approximately 10-feet once grading and other necessary steps are taken. There were three Planning & Zoning Commission (P&Z) meetings to discuss this prior to coming before the Council. There was some concern regarding fall distance from the city's tank. However, this would be outside the fall distance. P&Z recommended in favor of moving forward to Council at the 80-foot height.

Councilmember Rusing stated that the FCC Act of 1996 lists a number of reasons the Council cannot deny the tower, but asked the City Attorney to address reasons why they could deny the application. She also read a 2020 letter from Judd Simmons to the Council regarding property values.

City Attorney Joseph Young commented that the city can approve or deny based on compliance with the Land Development Code (LDC), but it cannot consider the idea of potential health damage due to frequency. Decreased property values and esthetics are all relevant in the LDC to make a determination.

Councilman Montoya asked who voted against the proposal at P&Z, and asked staff to address the importance of coverage and if there is any kind of middle path for addressing those issues. He wants to ensure that people are able to contact someone when they need to.

Mr. Worley responded that there was an absence and Commissioner Hutchison and Commissioner Kleczewski voted against. In the case of the public safety aspect and being able to work or communicate from home cell coverage is important, which is a large part of the reason why towers are being added, but also stated that deferring to the applicant would be important too.

Councilman Moore commented that it would be important for the Council to know why the P&Z members voted against.

P&Z Chair Don Michelman and Vice Chair Tom Reilly addressed the Council regarding the votes. There are limited reasons to deny a cell tower and none of them were applicable in this case in the opinion of the Commission. The property sits on a large section of land whose neighbors are a water tank and another tower. They added that when towers were first considered 25 years ago the idea was to locate where there were existing towers and tanks which is part of why they voted to recommend approval of this.

Councilwoman Fruhwirth commented that at the P&Z meetings she attended there was a lot of discussion regarding seeing hard data of why this location was chosen. She believes that alternate sites have not been addressed and drop call data has not been addressed properly.

Mayor Goode commented that he has a series of concerns: 1. The Council has been told the actual data is proprietary to AT&T so the propagation maps are estimates; 2. The Council has been told public safety response times would improve, but city police & fire use Verizon not AT&T; 3. He is under the impression there is a gap between coverage north of this location to the tower north of Outer Loop so areas in Longview where there is a gap wouldn't be aided by this tower. These issues alone make him not in favor of this proposal. He isn't convinced this is the best location for this tower.

Mayor Pro Tem Cantelme asked about co-location being encouraged and if the applicant looked into that before they began this process.

Mr. Sawyer responded that they did look into co-location, but there were limited options for that in the area. That is always one of the first things they look at.

RF Engineer Anil Cheruvu addressed the questions regarding cost of locations and the fact that making a selection is not taken lightly by the company. There is a water tank and existing tower on the site so this makes sense based on all of their research for the best location to address gaps in coverage.

Councilwoman Fruhwirth stated that the information they have been provided is insufficient for approval.

Councilmember Rusing commented that to the east of this site there is a 100-foot tower. She is not in support of this tower.

Mr. Cheruvu stated they did look into that co-location site, but, it would not work.

Mr. Young clarified that Council is not discussing an adjustment to the LDC but to make an exception under that, and that property values are not under the Council's purview.

Mayor Goode opened the floor to public comment.

Member of the public Terry Sapio addressed the Council and stated that cell phones are extremely prolific right now and many people no longer have landlines in their home, so improving capacity is a good thing. He added that there is a safety issue with cellular connections in emergency situations. He supports more cell towers where they are appropriate.

Member of the public Deborah Miller addressed the Council regarding the interests of the telecom industry and her opinion that the application should be denied. No residents in the area have spoken in favor of this tower. There are too many disclaimers with the propagation maps and haven't been validated by the FCC. She doesn't feel there is proof this is the best site or that co-location isn't possible somewhere else.

Member of the public Dale Storz addressed the Council and commented that she is disappointed the Planning & Zoning Commission did not take the research and input from the community into account. The misconception that the city's public safety pole is a cell phone pole wasn't taken into consideration by P&Z members and that should not have been done. This would de-value hundreds of homes in the area as 35% will be able to see the tower.

Member of the public Larry Gray addressed Council regarding the truthfulness of the application based on what they affirmed being in contrast with the content of the application. He is in opposition to any height variances outside of the city's zoning codes.

Member of the public Heidi Riemakel addressed the Council as a local real estate agent. She stated that, in her personal opinion, this will reduce property values, and so she is in opposition to this proposal. would like to see evidence otherwise before the Council approves this proposal.

Member of the public John Moore addressed the Council stating that putting cell towers in residential areas is bad business and negatively impacts home values. Requests denial of this application.

Member of the public Anne Moore addressed Council regarding the P&Z members who voted against this: 1. Because of home values and 2. Because looking at the maps, they didn't feel the height was needed. She added that when the city initially added language to the city code regarding cell towers, there was an intent to keep towers in residential areas at less than 35-feet and take the surrounding area into consideration, as well as maintain local control and considerations. She requested denial of the permit.

Member of the public Patricia Corbin addressed the Council regarding approval only when there is no significant negative impact on surrounding residents or community and no negative health impacts. This area is heavily populated and well established and this would adversely affect them, which is a violation of the city's own code/not harmonious with the surroundings.

Member of the public James Nuber addressed the Council regarding builders and applicants coming in requesting waivers which is not a good idea. He added that nothing related to the Indian ruins in the area have been addressed in any of these meetings and concurred that hard data has not been provided.

Member of the public Kenneth James Goellner addressed the Council regarding the FCC requirements for real data over propagation maps and drive tests in order to verify accuracy of models used for applications.

Member of the public Cecelia Denise Allen addressed the Council regarding the city and surroundings five years from now with unchecked and unstoppable cell tower placement. Our community is being marred just by looking around, and these things need to be put in check. She recommended the Council speak with attorney David Campaneli on these matters.

Member of the public Phil Davis addressed the Council regarding comments from Councilman Montoya and first responder access to cellular service and the fact that they use Verizon and other services. Prescott's residents have been very clear about what they want and this is not it. The burden of need should fall on the applicant and not the city. Williamson Valley needs better cell service, but it should be placed higher north.

MOTION BY COUNCILMEMBER RUSING TO DENY SUP23-002; SECONDED BY COUNCILWOMAN FRUHWIRTH: PASSED (6 - 1) COUNCILMAN GAMBOGI DISSENTING

Councilwoman Cantelme initially voted in opposition to denial, but then stated that she misunderstood the motion and changed her vote to yes.

C. Adoption of Ordinance No. 2023-1852 Approving a Settlement Agreement and Purchase and Sale Agreement Between the City of Prescott and Chamberlain Development LLC for Approximately 76.3 Acres of Real Property Near Prescott Regional Airport - Ernest A. Love Field.

City Attorney Joseph Young provided a presentation to the Council regarding the purchase of approximately 76-acres near the Airport for $8 million. He added that he will be reviewing the presentation which was provided to the Council at the last meeting regarding this item.

<u>Airport Protection:</u>
* Impact Zones - six zones and this property falls within Zones 2 and 3
* Noise Compatibility
* OEI Departure Splay

Mr. Young stated that this area has entitlements for residential use as it was not protected under the Deep Well Ranch Master Plan due to inaccurate mapping that was relied on. 65 DNL is considered the FAA's standard and this falls near that zone and will likely be within it in the future.

<u>Why Purchase:</u>
* Parcel lays entirely in Impact Zones 2 and 3

* Parcel will fall into the 65 DNL
* Parcel is not protected by the Deep Well Ranch Noise Overlay
* Development Agreement grants vetted rights to residential and other uses in this parcel which cannot be removed through zoning or regulations
* The city must either allow development according to the Development Agreement or purchase through agreement or condemnation

<u>North Ranch Agreement Terms:</u>
* City will purchase 76.29 acres within zone 2 and 3 for $8 million
* Liquidated Damages if the city terminates or cancels agreement after signing of 20% of purchase price
* Closing Date of March 9

<u>Settlement Agreement:</u>
* Parties will agree to Purchase & Sale Agreement
* No residential will be allowed as long as the airport remains in operation and any property annexed into DWR under "additional properties" will not be subject to the enforcement of any future Airport Vicinity Overlay
* City will grant utility Ingres/egress for hospital property to the north and DWR to the east
* City will continue to work on obtaining right-of-way easement for Jenna Lane over state land
* Arbitration will be dismissed and all possible claims released

Councilmember Rusing commented that the purchase and sale agreement and the Settlement Agreement are two different documents and asked if the Ordinance is adopted, can it exclude the settlement agreement.

Mr. Young responded that the first motion applies only to the Ordinance and the purchase/sale agreement and the second would be for the Settlement Agreement only.

Councilman Moore asked if this purchase/sale agreement is substantially the same as what was looked at on December 19th.

Mr. Young responded that there have been small changes, but it is substantially the same document as it was on December 19. The Chamberlain group agreed to extend the closing date to March 9 and to a reduction of the liquidated damages amount which are the only significant revisions.

Councilman Montoya commented that this is a crucial decision, it is essential to consider the facts/figures before making a decision of this magnitude. The use of this runway is under some dispute, but generally it is accepted that only 10% of the airport traffic use this runway and very few of the overall total crashes have occurred in that area. Additionally, there is the financial aspect. With this purchase, the city will have to go into debt in the amount of a minimum of $1.5 million annually for the next 20-years. He firmly stands against raising taxes for anything except police/fire/roads/trash and these will be impacted by this expense. A levy of taxes would require a vote of the people which has not been discussed yet and this is not a good financial decision. The highest priority for the Airport in his view should be the runway extension and this will have no direct benefit or impact on that. He does not support this purchase and will vote no.

Councilman Gambogi asked about the changes to the purchase agreement and if they were favorable for the city.

Mr. Young responded that they were favorable to the city.

Councilmember Rusing commented that this is the same amount that the new city hall was purchased for, and it is almost paid off. She asked Finance Director Mark Woodfill to address financial concerns.

Mr. Woodfill responded that the city will continue on, but the general fund will be impacted and public safety is a major factor in the General Fund. He added that the FAA will not reimburse more than the appraised amount of the property. This is $1.3 million over that plus the city reimbursement requirement, and it will affect other funding too. There will be some funding but none of this takes into account the costs of the runway either. He reminded the Council of the information that has been shared multiple times regarding the estimated costs and General Fund implications.

Mayor Pro Tem Cantelme commented that she just recently did a podcast regarding this matter, she said that she also has financial concerns regarding this purchase. But that goes away when she considers safety and loss of life. She stated that the NTSB website has a full report of the 168 crashes surrounding the airport since 1968. She is in favor of the purchase but not the settlement agreement.

Mayor Goode commented that the reason there are few accidents reported off this runway is because it is rarely used, and if there is a situation where the city needs to fight another significant wildfire it would be critical to have the slurry bombers be able to take off when needed. This is an expensive acquisition, but staff has been able to make the terms more favorable to the city and can hopefully get some of this reimbursed over time. He is in support of this purchase.

Councilman Montoya asked if this runway is rated for slurry bombers to take off from.

Dibble Aviation Planning Manager Charlie McDermott responded that this runway would likely not be used for that purpose outside a significant emergency situation. It has not been previously used in that manner unless there was a landing issue on the other runway.

Councilmember Rusing stated that this property is part of the Deep Well Ranch Master Plan and was annexed in 2017 and given one zoning designation.

Mayor Goode opened the floor to public comment.

Member of the public Terry Sapio addressed the Council regarding the wind shear scenarios is an important part of pilot training. The Prescott Airport was dedicated 95 years ago, and it was part of the wild west of aviation, then in the 1940s became part of flight training. He understands the fiduciary responsibility for the city, but this is also about the future of the Airport. He added that as a member of the General Plan Committee he has learned that the public is highly in support of the Airport and commercial service.

Member of the public Tom Rusing addressed Council regarding the importance of public safety, and this is a major public safety issue. He stated that the cross wind runway is among some of the busiest in the nation.

Member of the public Daryl Austermiller addressed Council stating that Councilman Montoya is incorrect on his facts, this runway is the biggest safety factor for the Airport for smaller aircraft. The fire bombers don't use the runway but the support aircraft do.

Councilman Gambogi commented that it is important to understand the position the Council is in, this is not a new issue. Airport protection was part of the 2015 General Plan and now the Council needs to fix issues that came after that. He echoed Mr. Sapio's comments regarding commercial service at the airport. Everyone on this Council agrees that we need more fire stations, but if we allow houses to be built on the extension of this runway, that will affect even more people.

Councilwoman Fruhwirth echoed comments that the Council is fixing past mistakes and she would never want to have to face families that are impact negatively in the future.

Mayor Pro Tem Cantelme stated that the combination of the Airport and Embry Riddle is a $500 million economic driver for the area.

Councilman Montoya commented that he realizes he is the minority and that is okay, he added that over simplifying what the fire department does limits their ability to respond to a heart attack or other medical event and will in turn limit the city's ability to improve response times. He, too, doesn't want to look at people in the future who didn't receive care in time because response times were too long because the city spent this money. The Council has to convince citizens that they should be willing to increase their taxes.

Councilman Moore stated that as a Council they will be entering into the strategic planning process and he wants to make sure that they take a hard look at purchasing this property and improving public safety through fire/police.

MOTION BY COUNCILMAN GAMBOGI TO ADOPT ORDINANCE NO. 2023-1852; SECONDED BY COUNCILMAN MOORE: PASSED (6 - 1) COUNCILMAN MONTOYA DISSENTING

MOTION BY COUNCILMEMBER RUSING TO DENY THE SETTLEMENT AGREEMENT; SECONDED BY COUNCILWOMAN FRUHWIRTH: PASSED (7 - 0)

D. Approval of City Contract No. 2024-157 with Asphalt Paving & Supply, Inc. for the Prescott Lakes Parkway and Sundog Ranch Road Intersection Improvements in an Amount not to Exceed $1,208,791.00. Funding is Budgeted and Available in the Streets Fund.

Capital Program Manager Tim Sherwood provided a presentation to Council regarding the installation of a new traffic signal and road widening on Prescott Lakes Parkway. The project will also include a turn lane, and other modifications on Prescott Lakes Parkway. Staff is currently working on acquiring signal materials ahead of the project to avoid any delays.

Councilmember Rusing asked about increased traffic for access to the transfer station and use for public works staff.

Mr. Sherwood responded that there are city facilities, the humane society, trail access, police and fire training facilities all in that area. There was a warrant study done for this project, and it meets the requirements on two counts.

Councilman Moore asked if a roundabout has been looked at.

Mr. Sherwood responded that there would be issues with a roundabout in that area, but it was looked at.

MOTION BY COUNCILWOMAN CANTELME TO APPROVE CITY CONTRACT NO. 2024-157; SECONDED BY COUNCILMEMBER RUSING: PASSED (6 - 0) COUNCILMAN GAMBOGI WAS NOT PRESENT FOR THE VOTE

E. Approval of City Contract No. 2024-121 with Danson Construction, LLC, for the Streets Division Administration Building, Phase 1, in the Amount of $554,010.00. Funding is Budgeted and Available in the Streets Fund.

Capital Program Manager Tim Sherwood provided a presentation to Council regarding the new administration building which will be located at the existing wastewater facility. The building was acquired through a Settlement Agreement with Tri-City Prep that was approved in September 2022. The first phase of the project includes design work to construct the building, drainage, plumbing/electrical review etc. through a design-build procurement process.

Councilman Moore asked if this will impact any of the current settlement ponds.

Mr. Sherwood responded there is an existing pad and nothing will be decommissioned.

Councilmember Rusing commented that this is adjacent to Watson Woods and asked if the increased traffic and people would negatively impact that area at all.

Councilman Moore responded that the location of the building won't affect Watson Woods as the property is to the west of settling ponds. He also asked if there is a Master Plan for the entire area.

Mr. Sherwood responded they are looking at future needs of facilities and looking at ways to make things work long term.

Councilwoman Fruhwirth stated that she wonders if this decision needs to be made today and what would be the downside of not approving this today.

Mr. Sherwood responded this is a budgeted expense and the city already own the building.

Public Works Director Gwen Rowitsch added that there is some work to do in order to determine the modifications that need to be made to this building, and staff can look at master planning the streets department facility needs. She reiterated that there is $300,000 budgeted in 2025 and 2026 for these purposes, and priorities can be discussed during budget planning as staff moves forward, but the longer this building sits in storage it will continue to degrade so that is something that needs to be considered.

MOTION BY COUNCILMAN GAMBOGI TO APPROVE CITY CONTRACT NO. 2024-121; SECONDED BY COUNCILMEMBER RUSING: PASSED (7 - 0)

F. Adoption of Resolution No. 2023-1872, Amending City Contracts No. 2021-090 and 2021-091 an Intergovernmental Agreement with Stringfield Ranch Domestic Water Improvement District of Yavapai County & the Associated Contract with Stringfield Ranch, LLC.

Public Works Director Gwen Rowitsch provided a presentation to Council regarding the proposed amendment to the contracts from 2021 for water to be provided to a subdivision known as Stringfield Ranch. Developer was to build the water infrastructure and sewer then transfer to the city, as well as a sewer lift station, force main and gravity main to transfer to the water treatment plant. There have been many discussions since that time over the design, particularly the water design. Came to an impasse as to whether the system as it was designed would be beneficial to the city, so she suggested that the water distribution system be privatized, and they agreed to do so. This will move operation/maintenance of the system from the city to the developer. This will simplify the process for the homeowners as well, master meter will be owned and operated by the city. Impact fees are substantial and will be coordinated on approval of final plats. Sewer rates are based on a percentage of usage doing winter months, they would pay the average sewer use fee based on class which is established in April of each year.

Councilmember Rusing asked if this change will allow the developer to use PVC rather than ductile iron.

Ms. Rowitsch stated that they have already purchased the ductile iron as required by the original agreement and will be charged the 30% up charge.

Councilman Moore asked if there is any downside to this amendment.

Ms. Rowitsch responded that staff fully supports this amendment.

Councilman Gambogi asked for clarification on what the changes are.

Ms. Rowitsch said it will now be maintained privately by the Water District and not the city.

Mayor Goode asked staff to address the reference to "class" with regard to the water and sewer costs.

Ms. Rowitsch responded the definition is in the city code and for this development it is single-family residential. They are required to meet conservation and landscaping requirements.

MOTION BY COUNCILMAN MOORE TO ADOPT RESOLUTION NO. 2023-1872; SECONDED BY COUNCILWOMAN CANTELME: PASSED (7 - 0)

11. ADJOURNMENT

Quote: "America belongs to 'we the people'. It does not belong to congress, it does not belong to special interest groups, it does not belong to the courts. It belongs to we the people." - John Jay

There being no further business to discuss, Mayor Goode adjourned the meeting at 6:23 p.m.

PHILIP R. GOODE, 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 January 9, 2024. I further certify the meeting was duly called and held and that a quorum was present.

Sarah M. Siep, City Clerk