

City of Prescott

City Council - Voting Meeting



February 24, 2026 | 3:00 PM
201 N Montezuma Street
City Council Chambers, 1st Floor
Prescott, AZ 86301

MINUTES

1. CALL TO ORDER

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

2. ROLL CALL

Cathey Rusing - Mayor
Lois Fruhwirth - Mayor Pro Tem
Mary Frederickson - Councilwoman
Ted Gambogi - Councilman
Jim Garing - Councilman
Patrick Grady - Councilman
Jay Ruby - Councilman

3. INTRODUCTIONS / ANNOUNCEMENTS

None.

4. INVOCATION - Pastor Rich Stoffan with Pinerock Camp

5. PLEDGE OF ALLEGIANCE - Councilman Grady

6. OPEN CALL TO THE PUBLIC

A. Erik Ludwig addressed the Council and stated that he had a number of questions for the Council. He began with the issues regarding barriers to attending City Council meetings during the day is difficult for working people and parents to attend. He added that the Farmers Market should be moved to a better location, and asked when the Sundog Connector will be built and when the city will limit issuance of building permits. Additionally, he encouraged the Council to consider a low growth mindset, and encouraged evening patrolling at Granite Gardens Park.

B. Leigh Budlong addressed the Council regarding a video by Ben Jordan as a follow-up to the Flock camera discussion. She stated that the company does sell data, including social security numbers and encouraged the city to reconsider it's contract with the company.

C. Truly Bracken addressed the Council regarding divisions in the community. She encouraged the concept of open Town Halls that will allow for the citizens and Council to engage in an open and productive dialogue.

D. Tony Hamer addressed the Council representing Eye on Prescott stating that there have been significant inconsistencies related to governing by this Council. The public would like the appropriate rules to be adopted and followed and the Mayor must act impartially which hasn't been seen to date. Rules adopted by the body should be applied equally, and should be content and viewpoint neutral.

E. Ralph Hess addressed the Council regarding statements during the Strategic Planning workshop regarding Special Interest Groups. He stated that there are disparaging tones directed at groups like Save the Dells and CWAG, but not the Chamber of Commerce, or the Rodeo, etc. It is focused on community groups and not local organizations. He agreed with Ms. Bracken's comments about the benefit of Town Halls.

F. Cynthia Wagner addressed the Council regarding ICE agents wearing masks and being told by the Mayor that the Council has no control over this. She doesn't believe this to be true. A strong leader stands up to forces that are wrong. There is no excuse for a law enforcement officer to wear a mask, and she asked if this Council will stand for fascism.

G. Kymberly Lopez addressed the Council regarding a Proclamation that was given to the Rodeo by the Governor's Office recognizing the World's Oldest Rodeos impact on Prescott and the state, as well as the importance of the location of the Rodeo at the current grounds.

7. CONSENT AGENDA

MOTION BY COUNCILMAN GAMBOGI TO APPROVE CONSENT AGENDA ITEMS 7.A. THROUGH 7.E., EXCLUDING ITEM 7.D.; SECONDED BY MAYOR PRO TEM FRUHWIRTH: PASSED (7 - 0)

- A. Approval of Meeting Minutes from the February 3, 2026 Special Study Session, the February 10, 2026 Executive Session, the February 10, 2026 Study Session and the February 10, 2026 Voting Meeting.
- B. Approval of City Contract No. 2026-149A2, an Amendment to City Contract No. 2026-149 with Ridgeline Builders LLC for Improvements at the Prescott Regional Communications Center in the Amount of \$73,800.13 Using City of Prescott Job Order Contracting. Funding is Available in the Facilities Maintenance Fund.
- C. Approval of the Updated City Council Strategic Plan (2026-2031).
- D. Approval of City Contract No. 2026-168 with Huitt Zollars for Professional Surveying & Engineering Services in the Design of the Pioneer Parkway 16-inch Water Main Project in an Amount Not to Exceed \$126,800. Funding is Budgeted & Available in the Water Fund.

This item was pulled from the Consent Agenda for further discussion. Mayor Rusing asked about the sewer main and if that is part of this project.

Capital Program Manager Tim Sherwood responded that there is no sewer in

that area.

MOTION BY MAYOR PRO TEM FRUHWIRTH TO APPROVE CITY CONTRACT NO. 2026-168; SECONDED BY MAYOR RUSING: PASSED (7 - 0)

- E. Approval of City Contract No. 2026-173 with Carollo for Wastewater Treatment System Capacity Evaluation in an Amount Not to Exceed \$125,020. Funding is Budgeted & Available in the Wastewater Fund.

8. REGULAR AGENDA

- A. Approval of Multiple Items Related to the City of Prescott's Lease of the Rodeo/Fairgrounds to Prescott Frontier Days, Inc. as Follows: 1) Adoption of Resolution No. 2026-1974 Regarding the Inapplicability of Resolution No. 2023-1861 to any Amendment to an Existing Lease of City-Owned Property (City Contract No. 2017-020) to Prescott Frontier Days, Inc., More Commonly Known as the Yavapai County Fairgrounds and/or Prescott Rodeo Grounds.; and 2) Adoption of Ordinance No. 2026-1934 Approving City Contract No. 2017-020A1, an Amendment to City Contract No. 2017-020 a Lease Agreement Between the City of Prescott and Prescott Frontier Days, Inc. for the Rodeo/Fairgrounds. City Attorney Joseph Young provided a presentation to the Council regarding the Rodeo Grounds Lease amendment with Prescott Frontier Days (PFD) for the Rodeo Grounds.

City Contract No. 2017-020 - Existing Agreement:

- * Approved July 12, 2016
- * Includes a 25-year term with a five-year extension
- * Requires PFD to manage the property, hold the World's Oldest Rodeo and perform other responsibilities related to the property and events
- * Does not include monetary rent
- * Was subject to negotiation given city's concerns with the gift clause (must be a benefit for the expense of city funds that is not disproportionate to any funds from the city)
- * Negotiations were suspended pending resolution of several other issues, including potential zoning changes and the creation of a Master Plan
- * With pending improvements needed and state appropriations, the parties have agreed to an amendment now, while continuing to address other issues following completion of the Master Plan

Mr. Young added that there are a number of other issues that both parties would like to see addressed, however, with the upcoming Master Plan it is appropriate to address the gift clause issues as a bridge for future new leases.

Resolution No. 2023-1974:

- * Based on citizen petition this lease was adopted, but was unclear on whether it would apply to amendments of the lease
- * The proposed resolution today will make that clear and amendments will not be governed by the previous

Lease Amendment Terms:

- * Paragraph 6 - amended to clarify that the city will be responsible for and in control of the Master Plan process
- * Paragraph 10 - clarifies that the city may invest in the property the \$15.33 million state appropriations
- * Rent Amount - in addition to property management responsibilities, PFD will pay \$2,500/mo. in rent and contribute at least \$150,000 per year to management costs of the grounds and events
- * Further negotiations - parties agree to negotiate a new lease within 90-days following Council's approval of the Master Plan

Mayor Rusing commented that she is glad this is being discussed and recognized that time is of the essence with the Rodeo coming up in July and the state funding for improvements. She reiterated that this is a temporary, bridge lease. She asked about the \$150,000 related to operation and management of events and if that was just a temporary item.

Mr. Young responded that it goes to management of the property and production of the events that are required under the lease and not capital improvements. And is an annual contribution.

Councilwoman Frederickson commented on the Resolution and this being a bridge amendment, noting that proposed Resolution addresses "any amendments" which concerns her because there aren't any guardrails or protections. She would be in support of a Resolution that specifies it is only for this amendment, and not all amendments.

Mr. Young responded that the guardrail is the Council, however, if a majority of the Council is not comfortable with that, the language could be modified to state that the Resolution only applies to this specific amendment.

Councilman Grady commented that he is happy to hear the negotiating team will be looking into a fair market value for this property, as he thinks that is important. He added that in the lease agreement itself, the word "annual" should be incorporated into the agreement related to the \$150,000 contribution.

Mr. Young said that could be included.

Councilman Ruby asked if there is a sunset provision in the amendment. He added that it costs \$2,500 to rent out the Hazeltine theater for a night, so this amount seems radically imbalanced with fair market value.

Mr. Young responded that there is not a sunset provision. However, there is a requirement that the lease will be renegotiated within 90-days of the approval of the Master Plan by the Council. It is not appropriate to continue on with violating the gift clause just because the city has been doing it for a long time, this amendment will address that issue. This amount is roughly proportional to the property given the constraints and use of the property, as well as the obligations to manage the property, but that is ultimately up to the Council.

Councilman Garing echoed Councilwoman Frederickson's comments regarding the Resolution only applying to this amendment, and added that he is worried about a sunset clause.

Mr. Young read from the section that addresses the requirement to renegotiate a lease within 90-days of the approval of the Master Plan by the City Council. The question of the gift clause is primarily whether there is a public purpose, an economic driver and a cultural/touchstone event, and it is up to the Council to determine whether they think it meets those qualifications. He believes it does, but that is up to the Council. This amendment gets the Council and city to the next step and gets the Master Plan completed.

City Manager Dallin Kimble added that the Master Planning process may lead to portions of the Rodeo/Fairgrounds being utilized for other purposes and that would impact the value and how much PFD will be managing. It would be unfair at this point to determine an amount at this time and have that be a long-term commitment.

Councilwoman Frederickson commented on her concerns regarding the sunset clause being too vague, and ensuring that this amendment could be revised at that time.

Mr. Young commented that PFD has already approved the draft, so if that change was made they would need to approve it.

Mr. Kimble added that this amendment is incrementally better than what we currently have and if this isn't approved it would revert to what the city currently has.

Councilman Gambogi commented that the Council had an E-Session on this topic, and he asked where these questions were during that meeting. He feels it is as if people are waiting for an audience. This is to allow a bridge to move forward and get the Master Plan done to negotiate a lease into the future.

Councilman Grady stated that he doesn't think the terms should be revised for a sunset clause. If people on this dais aren't motivated to get things done within their four-year term, then shame on them.

Mayor Pro Tem Fruhwirth echoed Councilman Grady's comments. If you look at the last page, it is very clear that a new lease will be negotiated within 90-days of the Master Plan. This protects the city and gives the right steps forward.

Member of the public Sue Manuel addressed the Council as a resident who lives adjacent to the Rodeo Grounds. She thinks the \$2,500/mo. is a complete joke. PFD has not paid anything since 2002, yet the UofA Extension pays \$30,000/year. It is time that PFD be treated like a real business. The disrepair of the property is because PFD has not invested as it is supposed to.

Member of the public Deborah Thalasis addressed the Council stating that the items in Exhibit B don't meet the \$4 million listed in the agreement. She doesn't

think this agreement is ready to go, and added that she went back and looked at the purchase documents, and there is nothing that guarantees the property will be used for the Rodeo. There is no management agreement with PFD and there should be.

Member of the public Bonnie McMinn addressed the Council regarding Resolution No. 2023-1861 to ensure transparency and public participation. This property belongs to the city, and if an amendment materially changes financial and public processes, the Resolution should apply. The words "temporary" and "bridge" are nowhere within the agreement, and there is no requirement for a new lease to be done. Instead of a sunset clause that says if you can't come to an agreement after 90-days the lease is terminated.

Member of the public Truly Bracken addressed the Council regarding the provision that allows PFD to move forward with improvements after the approval of the Master Plan, the Master Plan has been classified as just a "conceptual plan" and that nothing would proceed without the usual process. She discussed the environmental impacts of the Rodeo Grounds on the city's lakes which are already having to be remediate, which is a concern for her.

Member of the public Ralph Hess addressed the Council stating that the amendment puts forth critical changes to the existing lease which sets a precedent to just do another Resolution for any other amendment. Most of the members on this dais ran on public engagement and transparency but are circumventing Resolutions previously adopted by the Council. He encouraged a 60-day public comment period and two public hearings for any changes to the lease and reject the proposed Resolution.

Member of the public Howard Mechanic addressed the Council and stated that this does not address the gift clause, this is ridiculous. He believes this is unconstitutional and doesn't get the city off the hook; there should be an independent appraisal of the market value.

Mayor Rusing asked if there is no resolution on a new lease after 90-days would the old lease be in effect, making the city only responsible for what is underground.

Mr. Young responded that the \$15.3 million is subject to Council's approval on how it is used regardless of the lease.

Councilwoman Frederickson asked if staff had an explanation related to the \$4 million investment and the alleged discrepancy in the Amendment.

Mr. Young responded that the exhibit is just for a 5-year period, it doesn't capture the totality of their investments since the lease was entered into by PFD.

Mayor Pro Tem Fruhwirth reiterated that this is a bridge to a longer-term agreement, the city staff is working on the Master Plan and not the Council. She asked Deputy City Manager Michael Morris to review the comments received today. She added that the \$4 million didn't seem entirely accurate, but she

pointed out that over the years the contribution has been well beyond that, especially not having to have city staff out there regularly, etc. She believes the Council needs to get this amendment done and operate some of the most critical things, so safety issues can get addressed.

Councilman Ruby stated that, in his opinion, this looks like a subsidy. It is a small amount for what the value actually is. He also believes that there is a false sense of urgency related to it and feels the Master Plan should be in place before there is any lease amendment.

MOTION BY COUNCILMAN GAMBOGI TO ADOPT RESOLUTION NO. 2026-1974 WITH THE ADDITION OF LANGUAGE NOTING THAT IT ONLY APPLIES TO CITY CONTRACT NO. 2017-020A1 & ORDINANCE NO. 2026-1934; SECONDED BY MAYOR PRO TEM FRUHWIRTH: PASSED (5 - 2) COUNCILMAN GARING AND COUNCILMAN RUBY DISSENTING

- B. Approval of Multiple Contracts for Improvements at Prescott Rodeo Grounds as Follows: 1) City Contract No. 2026-149A1, an Amendment to City Contract No. 2026-149 with Ridgeline Builders LLC in the Amount of \$1,548,680.68 Using City of Prescott Job Order Contracting for Improvements to the Arena Grandstand Bleachers, Arena Speaker System & Rodeo Drive Monument Landscaping; and 2) City Contract No. 2024-174A3, an Amendment to City Contract No. 2024-174 with HACI Services LLC for the Replacement of HVAC Units in the Amount of \$92,606.92 using 1GPA Contract 22-14PFV-02-E3. Funding is Available in the Grants Fund.

Deputy Recreation Services Director Tim Legler provided a presentation to the Council regarding the contracts for approval. He reviewed the work that will be done on the grandstands with the goal of a completion date prior to this year's Rodeo, the speakers are custom made for the Rodeo to address the sound issues, monument landscaping will be added with the Rodeo Statute that was formerly at the old city hall so it can be placed off of Rodeo drive, and finally, the HVAC replacements will replace five units that are at least 20 years or older.

Mayor Rusing asked about the seats and their width. She also asked about the statute at the old city hall and where it would be on the rodeo grounds.

Mr. Legler responded that the grandstand improvements will match what the seats currently are for depth and number, this is just an upgrade. He also reiterated the location for the statute will be off of Rodeo Drive where the two wood telephone poles are now.

Councilman Grady commented on the citizen inquiries about the number of seats. He asked who is working on the landscaping plans for the area surrounding the statue.

Mr. Legler responded that this phase will only refurbish the existing grandstands, no additional seats will be added at this time.

Deputy City Manager Michael Morris stated that the landscape plans for the monument statute were done by a professional landscape architect, then

reviewed and approved by city staff and PFD.

Councilwoman Frederickson asked about water features near or around the statute.

Mr. Legler responded that it will capture rainwater and allow it to appropriately flow and be controlled.

Councilman Garing asked if there is reason to believe that these improvements will impact runoff at the site.

Mr. Legler stated that the bleachers have no effect on runoff and the area around the statute will be an improvement.

Member of the public Sue Manuel addressed the Council and asked for confirmation on the grandstand number. She also asked about the speakers and how that will impact when people are called for outside the grandstands area. The Steering Committee didn't know about the placement of the statue.

Mr. Legler reiterated that the number will not be changing. The new speakers will be directed to make sure they are staying on the grounds themselves.

Member of the public Deborah Thalasis addressed the Council and also asked for confirmation regarding the seating, she wants to make sure that more seats aren't added because then there need to be more parking spaces. She asked if the roof runoff would be impacted by the installation of the new HVAC systems.

Member of the public Ralph Hess addressed the Council regarding the prior vote and whether the lease amendment was approved. The city is taking on improvements for which PFD would have been responsible under the previous lease. Committing to these obligations before the Master Plan is completed is an exercise in putting the cart before the horse.

Member of the public Howard Mechanic addressed the Council regarding pressure from the state to spend funds on Rodeo improvements. He asked whether the city even had the funds. These expenditures are premature.

Member of the public Truly Bracken addressed the Council regarding the master planning process and the potential to move the entrance of the Rodeo to Miller Valley, and would that then require the movement of the statute again. She added that the parking is currently inadequate. If a building permit is issued would parking also be looked at.

Member of the public Bonnie McMinn addressed the Council regarding an opportunity to look at the sequencing of planning, and she asked about ADA improvements being included in the contract. She thinks more detail is needed.

Mayor Rusing commented that the ADA question is a good one and asked staff to address it.

Mr. Legler responded that the seating is failing and falling apart, it is being replaced and the number of seats is not changing. He added that handrails will be conforming with current standards, but these improvements doesn't address the stairs specifically or other areas within the rodeo grounds.

PFD General Manager Jim Dewey-Brown again reiterated that no seats will be added, the rodeo is currently in compliance with ADA requirements and Section K has even been expanded by moving vendors back in order to create sufficient space. Also there are two lower-level ADA accessible boxes.

Mayor Pro Tem Fruhwirth addressed inquiries about landscaping which only speaks to the area around the monument and nowhere else. The Council has not made any decisions about the location of the entrance, no matter what the monument will be in a place that the Rodeo will control.

Mr. Morris stated that the Master Plan will look at future entrances, but that will not impact this placement.

Councilman Ruby commented that the Council should look at where this money came from, the previous administration had funding from COVID they didn't know what to do with. Full community input should be a part of this process. He doesn't think there should be such a sense of false urgency, it isn't as if the Rodeo won't go on without these improvements.

Mayor Pro Tem Fruhwirth read from the bill allocating the funds from the legislature. These improvements are part of the requirements for the disbursement of the funds. The city is just restoring the property to meet the intent of the bill. Much of the money will be part of the Master Plan, the most important of which is the underground utilities.

MOTION BY COUNCILMAN GAMBONI TO APPROVE CITY CONTRACT NO. 2026-149A1 AND CITY CONTRACT NO. 2024-174A3; SECONDED BY MAYOR RUSING: PASSED (6 - 1) COUNCILMAN RUBY DISSENTING

- C. **CONTINUED ITEM:** Discussion & Action Regarding Adoption of Retroactive Ordinance No. 2026-1935 Associated with a Citizen Petition Received by the Council at the December 9, 2025 Voting Meeting and Submitted by Charles K. Thomas; and Discussion Regarding Petitioner Request to be Satisfied by Separate Agreement between Petitioner HOA and Property Owner.

Recess at 4:56 p.m., reconvene at 5:15 p.m.

City Engineer Randy Perham provided a presentation to the Council regarding the continued item. There was an error on staff's part in not including an Ordinance in the original motion last year, which has been remedied with this item. He added that staff has been working with the petitioner and other impacted residents related to the abandonment of the easement to address the issues. The HOA asked for continuity of the ingress/egress in the area and stated that they would like to work privately with the property owner for a trail-to-trail easement. Staff has now been informed that the applicant is not comfortable with the ordinance moving forward, and based on this staff recommended that this item be tabled until both issues are satisfied. Finally, he clarified that there is

no legal or legitimate second driveway that has been stated by some parties.

MOTION BY MAYOR RUSING TO POSTPONE ADOPTION OF ORDINANCE NO. 2026-1935; SECONDED BY MAYOR PRO TEM FRUHWIRTH: PASSED (7 - 0)

- D. **CONTINUED ITEM:** Approval of City Contract No. 2025-066A2, an Amendment to City Contract No. 2025-066 with Kimley-Horn and Associates, LLC, for Final Design Services for the Effluent & Wastewater Pipeline & SR89 Improvements Project. Funding is Budgeted & Available in the Wastewater and Street Funds, and the Final Dollar Amount will be Dependent Upon which Alternative Option is Selected by the Council.

Public Works Director Gwen Rowitsch provided a presentation to the Council regarding the contract amendment and project stating that this presentation is mostly in response to the questions and discussions from the February 10 meeting and so there will be new information.

Define the Problem - Utilities:

- * Failing effluent line - multiple documented breaks and emergency repairs are costly/disruptive
- * Additional sewer capacity is needed to complete centralization

Define the Problem - Roadway:

- * Roadway to be reconstructed due to utility project - 20-30 year lifecycle with routine maintenance
- * Roadway is expected to be at level of service F by 2030 - reduced lifecycle if removed and replaced in 2034
- * Portions of the roadway are narrow/construction constraints - road closures during construction (3.5-5 months) and ongoing traffic disruption for sewer maintenance

Additional Considerations:

- * Slip Lining Effluent Main
 - Reduces capacity
 - Condition of existing pipe will not support slip lining
 - Manholes needed every 500 ft to convert to gravity
 - Grade: converting from force to gravity
- * Peavine Trail
 - Land east of SR89 is private or protected Open Space (Prop484) - limited uses, utilities and recreation
 - Would require a force main (more expensive to operate) and lift stations
 - Inability to maintain equipment accessibility
 - Manholes needed
 - Approximately \$35 million not including a lift station
- * New North-South Route or "Expressway" from Zoo to SR89/Willow Lake Roundabout
 - Land east of Willow Creek Road is protected Open Space (limited uses, water supply and recreation)
 - Cost estimate approximately \$36-40 million (bridges, traffic control, 3-4 miles of additional roadway)
 - Some properties in this route are part of open space protected by Prop484

- Willow and Watson Lake are part of the Charter in the 1980s and protected so a roadway along that route would require a Charter amendment and vote of the public
- \$36-40 million estimated cost
- one low water crossing and two traffic lights

Capital Program Manager Tim Sherwood discussed the inconsistent slope of the trail which would effect gravity as well, and commented that the Peavine Trail is narrow, which would pose an issue. He added that there would also be a requirement for two roadway crossings needed for this infrastructure.

Councilman Ruby asked what the cost would be between the blue/yellow in the Peavine Map. He thanked staff for putting this together so the council and public can understand the options and their costs.

Ms. Rowitsch responded that it will be between \$25-35 million depending on the option selected by the Council. Staff has already built a significant amount of infrastructure in alignment with this project in mind and either of these options would be significantly more cost and require a ballot measure related to the open space.

Roundabouts versus Signals:

* Traffic Movement

- Roundabout: continuous flow in multiple directions under a yield condition
- Signal: stop/start, historic traffic delays and backups during peak times

* Speeds

- Roundabout: series of roundabouts promotes slower, more consistent speed

- Signals: higher speeds between signals; speed up to beat the yellow; hocking for position

* Turn Arounds

- Roundabout: multiple U-turns through the corridor
- Signals: completed under a yield condition or after stopping opposing traffic

* Accident Type & Severity

- Roundabout: more crashes but lower severity injury/fatality
- Signals: less crashes but higher severity injury/fatality

Additional Considerations:

* Widening (CMAR)

- Partnership: city, design team, construction team
- Provides guaranteed maximum price
- Advise on constructability and sequencing of schedule
- Determine means and methods of construction
- Identify alternative materials where applicable

* Non-Widening (Design, Bid, Build)

- Less collaboration needed: built per plans
- Low bid
- Contractor determines means and methods of construction

Mayor Pro Tem Fruhwirth asked how city staff would ensure that all lines are installed and graded properly regardless of how the project is done.

Mr. Sherwood responded that construction standards are much stricter than they used to be, there will be six staff members dedicated to looking at this and ensuring that everything is done properly. There also will be a full-time inspector assigned, one at minimum.

Mayor Rusing mentioned an engineer telling her that one lane could be open during construction.

Ms. Rowitsch responded that the city engineer, and multiple contractors believe after having looked at it multiple ways, that there is not a way to get one lane of traffic in while they are digging in the narrows. That will not be for the total construction, but while they are in that portion, which is estimated to be 3-5 months it will be closed. Staff understands the importance of keeping a lane open, but if it isn't safe and if a car cannot fit through there, it will not happen. The residents who live on either end will have access to their properties during the entire construction.

Councilman Garing stated that he didn't see a traffic management plan in any of the contracts. He also asked if replacement of the line is part of centralization.

Ms. Rowitsch responded that it would be part of the construction process and come through the contractor and determined at a later time. She confirmed it is part of centralization.

Mayor Rusing asked if any of the old trenches could be reused.

Ms. Rowitsch responded that a gravity main will be replaced and, on the west side of the road, the existing path will be used.

Councilwoman Frederickson asked about night-work in the area to allow for the road to not be closed during the project, which would alleviate the impact on the roadway.

Mr. Sherwood responded that nightwork is a possibility, but it will significantly impact the construction schedule and there are variables to consider and impact the people that live in the corridor.

Councilman Garing asked a number of questions regarding the Consent Order from ADEQ and whether this project does in fact relate to that order.

Ms. Rowitsch reviewed the centralization map and the overflow from 2023 in Granite Creek Park. There are a number of pieces related to that break. The Consent Order was issued when the pipe overflowed for failure to design a sewage collection system that prevents leaking. During storms there is infill into the system, and if the city only replaces that specific piece and doesn't upsize the other parts of the system, it is still in violation of the order because we are not addressing the root issue, which is capacity. It is part of the collection system

and if it isn't replaced the problem will just move somewhere else, all projects need to be completed to address the issue. She confirmed that the widening of the road has nothing to do with the pipes, but when considering expending this amount of money the Council needs to determine whether it makes sense to rip up the road, replace it and then redo it well under its new lifetime.

Councilman Garing continued that he is amazed at the work that was done to address the breaks and damage that has happened before, which makes him wonder why the effluent main needs to be replaced at this point. He commented that there needs to be a Prop401 analysis regarding centralization.

Utilities Manager Steven Olfers responded that the issue is not within the pipe, it is outside the pipe, and that is where the failures are occurring.

City Attorney Joseph Young responded that effluent replacement does not trigger Prop401, and the upsizing applies to the Consent Order, so it is exempt. The Prop401 analysis as it relates to this part doesn't apply. This is a project with three separate elements, and each independently doesn't trigger Prop401.

Mayor Rusing stated that if this project is going to be \$100 million plus, it needs to be seriously looked at.

Mr. Young added that replacing a pipe is exempt from Prop401, but the increased cost of a bigger pipe would be applicable. But, again, not the entire project cost.

Councilman Garing stated that planning, design and five-year costs should also be included.

Mr. Young confirmed, further he said that road widening is not part of the centralization question.

Ms. Rowitsch continued the presentation regarding the roadway implications and introduced Traffic Engineer Ian Mattingly.

Yavapai Plan/CYMPO:

- * 2045 Regional Transportation Plan - identified Level of Service (LOS) F by 2030; high priority project (traffic modeling and capacity analysis-based criteria)
- * Move2050 - at or over capacity, medium priority project (performance-based criteria and year based on administrative programming placeholder), not a traffic capacity date or when LOS reaches F
- * Key point - the traffic need did not change, the scoring formula did
- * All signs show the road will fail (the level of service), the best guess based on data is that it will fail in 2030

Traffic Data Collection & Modeling:

- * Traffic counts were collected in 2023 and 2025 and match closely with ADOT and city annual traffic data allowing limited study collection days to be utilized with confidence
- * Origin and destination model volumes were compared to real-world counts and

were nearly identical, further verifying data

- * Advanced VISSIM modeling was used with 100 total simulation runs covering AM/PM peak periods and multiple future scenarios
- * Traffic model was calibrated to meet Federal Highway Administration standards
- * CYMPO Regional Transportation Plans performed by Jacobs, AECOM and Kimley-Horn all predict the same LOS for the 2-lane roadway option; widening to four-lanes restores to LOS C until 2051

Councilman Ruby asked if other traffic outside this corridor would help to maintain the LOS through this area of Hwy89.

Mr. Mattingly responded that any alternative would have to address the corridor because it all impacts each other. He also stated that the level of service is different based on the time of day.

Mayor Rusing asked about the comment cards that were received during the open houses. She was hoping to see some details regarding that, but did not.

Ms. Rowitsch responded that the information was on the website, and the design advisory committee recommendations have been posted as well. 1,300 responses were received and overwhelmingly against widening.

She continued with a review of the development in the northern portion of Prescott:

- * Deep Well Ranch - 10,500 dwelling units
- * Arizona Eco Development - 3,600 units (3,400 residential, 200 resort)
- * Granite Dells Estates - 1,754 units
- * Permits Remaining - 13,986

Councilman Grady asked for projections of the commercial growth and what those impacts might be on traffic.

Ms. Rowitsch responded that there are areas zoned for commercial, however, until the developer shares that information specifically, staff cannot project those impacts.

Councilman Gambogi discussed the study which showed how many cars travel down that corridor every day and how many of them are coming into work. Of the 22,000, that is 9,000. Fry's isn't going to offset all those vehicles.

Ms. Rowitsch continued with a review of the total project cost estimates for each alternative option as well as funding sources. Without widening, any of the #2 alternative options, the city would not be able to use growth funding to cover costs. Additionally, she reviewed potential inflation costs differentials.

Mayor Pro Tem Fruhwirth thanked the public, city staff and everyone that has been involved in this over the years that this has been a concept. She has been consistent in saying that it is not a question of if we will need to widen but when and how. Economic development will happen in the north but people are still going to be traveling south, and it is the Council's responsibility to determine how

they are going to deal with this. The Council needs to invest in infrastructure and public service, what is best for the long-term health and vibrancy of this town and can't look at these numbers and say it is a situation that they won't have to deal with. We need more road capacity. She supports Alternative 3B right now, but asked staff to seriously reconsider the two additional roundabouts.

Member of the public Terry Sapio addressed the Council and stated that this is a historic vote about years of work. The rocks will still be beautiful even if you shave a few feet off to fix the issues. Sometimes you have to do something that you don't want to do, but it is the right thing and consider what is best for the future of the community.

Member of the public Carter LeBarge addressed the Council regarding staff's comments that the number one priority is the effluent pipe. What is done with the roadway is a community decision and the staff will support that decision. This is a misplaced priority. He encouraged Council to select option 2C.

Member of the public Erik Ludwig addressed the Council stating that money is not the most important thing. He added that there is no truck apron on the proposed roundabouts. It is not in the contractors' best interest to recommend the best plan but rather the most complicated one. He encouraged the Council to select the affordable plan.

Member of the public Larry Gray addressed the Council as Committee Chair for Southview FireWise. Citizens do not want to face what Paradise California did. Having the roadway closed down is dangerous and he encouraged the Council to vote yes on widening because it is common sense.

Member of the public Ken Fidyk addressed the Council regarding them representing the public well. This is a strategic business decision. It is extremely important that at least five vote for the same alternative, otherwise the community won't have faith in them moving forward. He added that the Council went into the weeds today for way too long.

Member of the public Anne Moore addressed the Council regarding being in favor of widening the road and getting everything necessary done at once. She loves the rocks too, but she doesn't hike on the road.

Member of the public Perry Haddon addressed the Council as a former Councilmember who served more than 45 years ago. He stated that he remembers when a portion of Willow Creek Road was dirt road. The Council will either be proud of the decision that they made today in the future or regret it.

Member of the public Steve Sischka addressed the Council and echoed Mayor Pro Tem Fruhwirth's comments and asked that the Council not let political expediency take the place of common sense.

Member of public Deborah Thalasis addressed the Council regarding the fact that Council and staff sit on the CYMPO Board yet they have had no control over whether this project is high priority which she finds curious. She added that she

does not feel this project is related to the Consent Order, and is concerned regarding how the city will pay for this. This is all about future growth.

Member of the public Bonnie McMinn addressed the Council regarding how difficult this decision is because it touches community values and community will. The community overwhelmingly does not support widening. Growth should pay for growth and she encouraged the Council to complete the utility work and do more analysis related to the traffic and determine when widening is really required.

Member of the public Walter Kosar addressed the Council not as a resident of Prescott but a person who uses Hwy89 regularly. This is a big decision and project, and regardless of the option selected, it will be a big mess, so it is important to do it right and do it once. He echoed comments about needing to be fire wise and ready for evacuations.

Member of the public Michael Coffey addressed the Council as a resident of the narrows stating that he slept through the nightwork done there years ago. This would be an easy decision if the Council knew with 100% certainty that they needed to widen now, but there are some inconvenient truths that show they do not.

Member of the public Damon Myers addressed the Council as a long-time resident of Prescott who has lived in the Dells for 10-years. This project will be disruptive regardless of the option selected, and he added that the proposed cost differences don't make sense to him. If widening does happen there needs to be full transparency related to that. He feels Kimley-Horn's analysis is incomplete.

Member of the public Rod Moyer addressed the Council and stated that this needs to get done tonight. He added that one of the roundabouts will fail long before the road itself, so it would make sense to fix that with the money for widening.

Member of the public Lucy Mason addressed the Council and stated that as a former Council member she can appreciate their position. This has been discussed for so long and a vote needs to happen tonight. This community will not decrease in growth, use of highway 89 will not decrease and costs will not go down. She encouraged the Council to listen to Mayor Pro Tem Fruhwirth, and encouraged the Council to widen Hwy89 now.

Member of the public Truly Bracken addressed the Council stating that others like Mr. Moyer and Ms. McMinn speak for her and she echoes their comments. She added that the centralization project as a whole will not be completed by July 1, 2027, C3 has to be completed by that time and take the increased sewage to capacity through Prescott Lakes Parkway so she doesn't believe the city is under the gun for timing.

Member of the public Stacey Brown addressed the Council regarding how hard governing is. The problem around the utility repair has to be done, but as it

comes to the widening she doesn't feel that there is a clear recommendation. She thinks there needs to be a cash flow analysis and how funding would happen today.

Member of the public Jeff Meyer addressed the Council as a retired geologist. He stated that keeping this area intact is important, but the Dells are in the way of progress. There are good reasons to improve the road, but the Council needs to look at how it will be perceived in a generation or two.

Member of the public Michael Marchand addressed the Council regarding the traffic data studies, and what he believes to be unreliable and inaccurate data that was just averaged by Kimley-Horn. The level of engineering rigor is unacceptable.

Member of the public Katherine Wyly addressed the Council as a resident along the corridor. While there are no driveways in or out of the narrows, to widen it would be like putting Los Angeles at our front door. She appreciated comments about roundabouts and stated that she would prefer a traffic signal somewhere in the corridor. While improvements are needed she thinks less is more. She is in favor of Alternative 2C, and echoed comments that not enough research and planning went into these proposals.

Member of the public Tana Karen addressed the Council regarding the one-month traffic stakeout along the corridor that she did in September-October 2025 and stated that the traffic numbers presented by Kimley-Horn are not reflective of what she witnessed. Their study should be discounted.

Member of the public Tony Hamer addressed the Council stating that this is not an easy decision, it is life-changing for the community. Probabilistic decision-making would be beneficial in situations like these. Arizona is rated in top five states for teen driving deaths per capita, and the probability on unimproved roads is higher. The Council has stated that public safety is their highest priority.

Mayor Rusing stated that this is an easy decision for her. The people of Prescott have spoken, and they don't want to bend the knee to the developers. This community has had a bad run, and this historic scenic road is a gateway to the community, but there has never been a problem getting through. She supports Alternative 2C, with no widening.

Councilman Ruby commented that the problem is how to get from point A to point B as easily as possible. He doesn't really see a solution for that. This is a big travel thoroughfare, but it is also a residential area. The Council has to consider what is actually realistic and possible to get people from North Prescott to South Prescott efficiently. He also thinks it is important to respect what the majority of people want.

Councilwoman Frederickson stated that she supports Alternative 2C, it is important to respect the people who have widely said they don't want widening through the Dells. She stated that she isn't convinced by the data that has been provided.

Councilman Grady commented that he has been following this project for quite some time. There are facts, there are projections and there are community values. Widening through this area will impact this scenic area and he is in favor of 2C to preserve one of the most scenic drives in Arizona.

Councilman Garing agrees with Frederickson and Grady.

Councilman Gambogi stated that this is theater, people are agreeing to decisions to avoid conflict. If this Council were actually good stewards of city finance, they would take into consideration that if they spent \$35 million now, we would be good for 20-30 years, but if we just fixed the pipes, we'll be back to discussing the road again by 2030-2034. When people reject the analysis of expertise, that isn't a conversation.

MOTION BY COUNCILMAN GAMBOGI TO APPROVE CITY CONTRACT NO. 2025-066A2 WITH ALTERNATIVE #3B; SECONDED BY MAYOR PRO TEM FRUHWIRTH: FAILED (2 - 5) MAYOR RUSING, COUNCILWOMAN FREDERICKSON, COUNCILMAN GARING, COUNCILMAN GRADY AND COUNCILMAN RUBY DISSENTING

MOTION BY MAYOR RUSING TO APPROVE CITY CONTRACT NO. 2025-066A2 WITH ALTERNATIVE #2C; SECONDED BY COUNCILMAN GRADY: PASSED (6 - 1) COUNCILMAN GAMBOGI DISSENTING

9. ADJOURNMENT

There being no further business to discuss, Mayor Rusing adjourned the meeting at 8:16 p.m.

Cathey Rusing

CATHEY RUSING, Mayor

ATTEST:

Sarah M. Thornhill

SARAH M. THORNHILL, 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 February 24, 2026. I further certify the meeting was duly called and held and that a quorum was present.

Sarah M. Thornhill

Sarah M. Thornhill, City Clerk

