

City of Prescott

City Council - Voting Meeting



June 9, 2026 | 3:00 PM
201 N Montezuma Street
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 (Participated Remotely)

Jim Garing - Councilman

Patrick Grady - Councilman

Jay Ruby - Councilman

3. INTRODUCTIONS / ANNOUNCEMENTS

Mayor Pro Tem Fruhwirth reminded the public about night work closures on SR89 which will be in place June 22-26 from 7:00 p.m. to 5:00 a.m. between Phippen Trail and Willow Lake Road roundabouts. For more information regarding the closures visit <https://sr89improvements.com>. She added that in order to help reduce wildfire risk and strengthen community resilience, the Prescott Fire Department and Central Arizona Fire & Medical Authority are launching the Community Wildfire Protection Plan (CWPP). Residents are encouraged to participate by completing the CWPP questionnaire and sharing it with neighbors. The questionnaire can be accessed at <https://bit.ly/4vkPyVT>.

On Wednesday, June 24 at 10:00 a.m. at Yavapai College the Prescott Police Department will host a Cybersecurity Seminar for citizens covering how to recognize scams, understand online threats and protect yourself from fraud. Additionally, Mayor Pro Tem Fruhwirth advised that there will be a temporary closure at Goldwater Lake from June 15-26 for roadway improvements. For more information, please contact the Recreation Services Administration Division at 928-777-1121.

Finally, the Prescott Public Library invites the community to participate in their 2026 Summer Reading Program: "Unearth a Story". Visit <https://prescottlibrary.info> for more information on how you can participate in the program for youth (0-18) or adults (19+).

4. INVOCATION - Pastor Kendra Hobson with St. Luke's Ebony Christian Church

5. PLEDGE OF ALLEGIANCE - Councilman Garing

6. OPEN CALL TO THE PUBLIC

A. Greg Murray addressed the Council regarding a letter he sent last year to Prescott, Prescott Valley and Chino Valley regarding potential to connect the new Regional Park in the area. He stated without these connections the wildlife corridor could be impacted. There is already work being done in the area, and his letters have not been addressed. He is concerned that wildlife will be negatively impacted by development in these areas.

7. **CONSENT AGENDA**

MOTION BY COUNCILWOMAN FREDERICKSON TO APPROVE CONSENT AGENDA ITEMS 7.A. THROUGH 7.D.; SECONDED BY MAYOR RUSING: PASSED (7 - 0)

- A. Approval of Meeting Minutes from the May 19, 2026 Budget Workshop III, the May 26, 2026 Executive Session, the May 26, 2026 Study Session, and the May 26, 2026 Voting Meeting.
- B. Adoption of Resolution No. 2026-1987 for Authorization of Internal Loans for Advanced Land Purchases from the General Fund to the Airport Fund.
- C. Adoption of Resolution No. 2026-1988 Approving the Annual Update of the City's Pension Funding Policy.
- D. Adoption of Resolution No. 2026-1991 Approving the Transfer of Certain Fiscal Year 2026 Budget Appropriations.
- E. Approval of City Contract No. 2024-096A3, an Amendment to City Contract No. 2024-096 with Core and Main in the Amount of \$225,000 for Water and Wastewater Materials. Funding is Budgeted & Available in the Water and Wastewater Funds.

Councilwoman Frederickson pulled this Item from the Consent Agenda for further discussion and asked staff to address her concerns related to the requested increase in current contract for one of three vendors.

Public Works Director Gwen Rowitsch addressed the Council and stated that there is a contract with three suppliers for these services. There is not enough on the contract to cover the parts that are being ordered because one of the companies was absorbed by another. Everything is already included in the budget.

Councilman Garing asked about quotes.

Ms. Rowitsch responded that all three vendors initially bid and were issued a contract.

MOTION BY COUNCILWOMAN FREDERICKSON TO APPROVE CITY

CONTRACT NO. 2024-096A3; SECONDED BY MAYOR RUSING: PASSED (7 - 0)

8. CONSENT ORDINANCE

- A. Adoption of Ordinance No. 2026-1949 Authorizing the Granting of a Utility Easement to Arizona Public Service Company.

MOTION BY MAYOR PRO TEM FRUHWIRTH TO ADOPT ORDINANCE NO. 2026-1949; SECONDED BY MAYOR RUSING: PASSED (7 - 0)

9. REGULAR AGENDA

- A. Adoption of Ordinance No. 2026-1948 Authorizing the Purchase of Certain Real Property Necessary to Complete Airport Operations Relating to National Forest Service Fire Fighting Planes & Similar Operations, Including the Possible Use of Eminent Domain to Acquire Such Property.

City Attorney Joseph Young provided a presentation to the Council regarding adoption of the Ordinance and possible use of eminent domain related to the property purchase.

Project Planning & Notice:

- * Identify specific property needed
- * Surveyors and appraisers may inspect the property
- * Arizona law allows entry for surveys and appraisals under certain conditions

Appraisal & Offer:

- * Obtain an appraisal to estimate fair market value
- * Written offer must be made 20-days before condemnation litigation begins
- * Offer must include "just compensation", cost of property plus damages, severance damages if any, supporting appraisal and survey
- * Owners may hire their own appraiser or attorney

Filing The Condemnation Action:

- * If negotiations fail, city files condemnation lawsuit in Yavapai Superior Court
- * Complaint identifies the property and public purpose
- * Court reviews whether the taking is legally authorized
- * Property owners may challenge public use, necessity or compensation

Airport Director Rick Crider continued with an overview of the exhibit showing the property proposed for purchase, which will address 12-20 acres of ramp. During fire season, there is a variety of firefighting apparatus that need to stage at the airport in order to address forestry services in the event of an emergency. He reviewed discussions and appraisals that have taken place over the last year or so, he is open to continuing negotiations.

Mayor Rusing commented that Arizona is a strong private property rights state, and that is something that she takes seriously, but this is a critical public safety use.

Councilwoman Frederickson asked if there is any other reasonable route to support fire suppression efforts other than this parcel.

Mr. Crider responded that there are other parcels that would accomplish the goals. However, they are not directly adjacent and would erode the direct connection to the fire center.

Members of the public John and Cathy Stonecipher addressed the Council and stated that they were surprised to see this on the agenda. He has been doing business in Prescott for 25-years, this parcel was purchased to support public service and is a big piece of their intended use for this property through a public-private partnership. He has flown tens of thousands of hours safely in this community and would like to be synergistic by privately owning that parcel. He doesn't believe that fixed wing operators and helicopters should not be operated together.

Mr. Crider stated that the property is currently vacant and listed for sale. The Stoneciphers are valued tenants, but discussions have broken down on this parcel. All of the through the fence operations have been removed in order to stay in good standing with FAA.

Mayor Pro Tem Fruhwirth asked about the process following the adoption of the Ordinance today.

Mr. Young stated that a 20-day notice will go out with an intent to purchase at a specific price, and if no agreement is reached than the city can file with the Superior Court for eminent domain action. Other property or leases will be up to Council for approval in the future as well.

MOTION BY COUNCILMAN GARING TO ADOPT ORDINANCE NO. 2026-1948; SECONDED BY MAYOR RUSING: PASSED (7 - 0)

- B. Adoption of Resolution No. 2026-1984 Approving the Tentative Budget for Fiscal Year 2027 and Setting the Public Hearing for the Final Budget, Expenditure Limitation and Tax Levy for the City of Prescott.

Finance Director Lars Johnson provided a presentation to the Council regarding the FY27 Budget which will be effective July 1. Adoption of the Resolution will set the expenditure limit for the coming fiscal year and sets the future public hearing dates so required notices can be posted. He reviewed the process to date including three scheduled budget workshops and one additional. The proposed budget is balanced and aligned with the Council's Strategic Plan.

Mayor Pro Tem Fruhwirth commented on reconciliation of Prop478 and that being published, she would like to see that prior to the final vote at the end of this month.

Councilman Garing commented that in the pension funding Resolution he noted that funds can be allocated annually toward the unfunded liability and asked if that has been done.

Mr. Johnson responded that it was done, and there will be an updated actuarial report in the fall from the state. The expectation is to be fully funded.

FY27 Budget Summary:

- * CIP includes \$145 million in investments focused on public safety and critical infrastructure
- * Total Budget - \$311,496,498
- * FTE - 626.50

Upcoming Steps:

- * June 23 Public Hearing - FY27 Budget, Alternative Expenditure Limitation (AEL), Property tax levy/truth in taxation; adoption of final budget/personnel roster/AEL
- * July 14 - Property Tax Levy Hearing

Mayor Rusing commented that the Council voted to increase the property tax, and stated that she saw the public notices and requested that staff change the language.

Mr. Johnson stated that the statute provides the specific language that must be used, and it can't be changed.

City Attorney Joseph Young confirmed but added that staff can see if additional language could be added.

Councilman Ruby asked if a chart could be published to make it clearer for people to understand.

Mayor Rusing commented that the property and evidence facility is calculated in the CIP at \$43 million, and that she had contacted the City of Mesa and theirs was built for far less so she is uncomfortable approving that budget if that item is included.

Councilman Garing asked about fund balances to address the shortfall in the budget.

Mr. Johnson responded that one-time funds are for one-time uses. In capital projects it is common to use accumulated savings to cover the costs of capital funding. Prop478 funds are accumulated to cover the costs of projects, for example. Typically, this is looked at over a longer period of time to ensure that planned funding is realistic.

Mayor Rusing commented that this has been the most in-depth budget process that she's experienced in her time on Council and she thanked staff for their work in putting things together.

Mayor Pro Tem Fruhwirth stated that she wants to see a step added in for the Prop478 reconciliation. She echoed Mayor Rusing's comments regarding the property and evidence facility.

Mayor Rusing asked about capital projects funded through impact fees and how that process works.

Mr. Johnson stated that CIP projects which are funded through impact fees are coming over time, and often there is debt issuance to cover in the meantime.

City Manager Dallin Kimble added that \$10.96 million is budgeted for FY27 for the police facility and staff can continue to work in the future years to decrease expenses in a way that meets the community's needs.

MOTION BY MAYOR PRO TEM FRUHWIRTH TO ADOPT RESOLUTION NO. 2026-1984; SECONDED BY MAYOR RUSING: PASSED (7 - 0)

- C. Approval of Ballot Language as Recommended by the Charter Review Committee for Amendments to the Prescott City Charter to be Included on the November 3, 2026 Special Election Ballot.

City Clerk Sarah Thornhill introduced the item and reviewed the proposed revisions forwarded from the Charter Review Committee.

Proposal 1:

City Attorney Joseph Young further addressed the Court regarding the proposals and stated that the Committee's goal was to bring this section in-line with the other Council appointee contract, however, that violates the independent nature of the judicial role. Based on this, staff proposed adjusting the language regarding serving at the pleasure of Council to "reports to the Council" and changing the contract term from one-year to two years. He suggested approving the amended language if the Council chooses to do so.

Mayor Pro Tem Fruhwirth stated that she is comfortable with the revisions, but that she would still like to see an annual performance evaluation be part of the section.

Mr. Young stated that the language could be"with an annual performance evaluation" or include an annual update to the Council with feedback. That would also be consistent with what is currently in the Charter.

Councilwoman Frederickson stated that an annual review would be her preference as well.

Ms. Thornhill stated that staff can make the appropriate revisions and return with this item at the June 23 Voting Meeting with appropriate direction from the Council.

Councilman Ruby stated that an independent judiciary is very important and asked if the City Attorney has concerns regarding this.

Mr. Young responded that he feels a two-year appointment is allowable and appropriate, but removal during that term needs to be limited to the cause that is included. With the expiration of the term being at the end of each even-numbered year, it fits in well with Council elections being in the odd numbered

years.

Councilwoman Frederickson agreed.

Mayor Pro Tem Fruhwirth asked what would be considered cause for removal related to the judge.

Mr. Young responded that the judge can be removed only for cause, which is the last sentence of the provision. However, at the end of the contract he could be removed at the Council's discretion. With the deconsolidation of the courts, the city is now no longer tied to an elected Justice of the Peace so they can operate independently as a city court.

Proposal 2:

Mayor Pro Tem Fruhwirth said she is supportive of A&B in this proposal. However, in Section C she is concerned that a future Council could set a DA with a term of 100-year maximums, and she feels that is too open-ended.

Mr. Young responded that is certainly possible, however, he feels it is better in this format because it gives guidelines but doesn't tie the hands of future Councils. As an example, the housing project by Culver's had a longer term so that the city could ensure they were able to enforce specifics of the workforce housing stipulations. Smaller length doesn't necessarily mean better.

Mayor Rusing stated that "must" is the cleanest verbiage to use for modern contracts and requested that it be changed throughout the proposed language to replace the word "shall".

Proposal 3:

Mayor Rusing suggested removing the language "The City shall have the power to..." and simply begin the section with "All persons..."

Mr. Young responded that if the Council desires to change or specify the "physical development" it would get more complicated and should come back.

Mayor Pro Tem Fruhwirth asked what "other necessary transportation" is tied to. She also asked if "utilities" need to be defined specifically as water/wastewater/stormwater, etc. and she was not clear on "public service extensions" either.

Mr. Young responded that this was already in the language and wasn't removed because it is permissive. These are utility and infrastructure related items. If they are defined specifically, it would also address that additional language. He added that he is worried about going as far as Mayor Pro Tem is suggesting within the Charter because it is too far into the specifics of how the DA works, those things are figured out through the negotiation process individually. This proposal will likely require a redraft which staff can bring forward on June 23.

Mayor Rusing stated that she was concerned because utilities were being provided and easements purchased to get utilities to a private property owner.

The city needs to be careful to not allow that to continue. Bringing "wet utility, easements, etc" to make it clear that is not going to be done anymore.

Mr. Young responded that is what paragraph 2 does, but it doesn't cover the additional items that have been discussed which would require additional revisions.

Councilman Gambogi stated that future Councils need to still have flexibility for projects like Costco or Trader Joe's, and if things continue to be added to the Charter it presumes that the Council is not trustworthy and they cannot run a city that way.

Proposal 4:

Mr. Young said this would define open space required for large annexations. During Strategic Planning sessions, staff heard the word "meaningful" as it relates to open space.

Mayor Rusing stated that she likes this language because it is clear what open space really is for the public.

Councilman Ruby stated that this is written clearly.

Mayor Pro Tem Fruhwirth expressed her concern that "meaningful and functional" is in the eye of the beholder, but this is related to annexation so that alleviated her concerns. She asked if the Council receives in-depth details when annexations are prepared so they can ensure that these requirements are met.

Mr. Young responded that this information is provided to the Council when an annexation is proposed and the Council has full discretion as it relates to whether they want to approve the annexation or not.

Councilman Gambogi reiterated his earlier comments, trying to design wording into the charter that removes a future Council's ability to make rational decisions.

Proposal 5:

Mr. Young stated that this requires the city prior to a purchase or exchange of real property to get an appraisal and then not pay more than the appraisal unless through eminent domain.

Mayor Rusing stated purchases have been done in the past without appraisals and that cannot continue to happen. This provision will establish a standard to make sure our processes align with the private sector.

Mr. Young stated that he has hesitation about this proposal because it could limit discretions of Councils and ability to negotiate. Having an appraisal requirement is appropriate, but limited to the appraised amount could limit the city.

City Manager Dallin Kimble agreed. Some flexibility is important, having the appraisal holds the city accountable.

Councilman Grady stated that an appraisal process for a city purchase should be an independent appraisal, possibly a second for the seller and then a third if necessary.

Mr. Young stated that with an appraisal there is accountability, but still allowing flexibility with negotiations is important.

Councilman Garing asked if the city would also be limited in negotiating a higher price because of this provision (it doesn't impact the ability to sell). He is not in favor of limiting to the appraised value.

Councilman Ruby stated that the Council has to be careful about limiting themselves.

Mayor Pro Tem Fruhwirth agreed, she likes everything but paragraph three.

Mr. Young stated that striking the third paragraph establishes the public record and establishes transparency.

Councilman Gambogi agreed, remove paragraph three.

Council Direction on Proposals:

Proposal 1 - will be revised and returned on June 23 as discussed

Proposal 2 - "shall" changed to "must" throughout and will be voted on with those revisions

Proposal 3 - this needs further attention and revisions by staff, will return to Council on June 23

Proposal 4 - same revisions as Proposal 2

Proposal 5 - remove paragraph 3, and address "shall" throughout

MOTION BY COUNCILMAN RUBY TO APPROVE BALLOT LANGUAGE AS PRESENTED FOR PROPOSALS 2, 4 AND 5 (ARTICLE VIII, SECTION 14; ARTICLE I, SECTION 4; AND ARTICLE VIII, SECTION 2) WITH THE STIPULATION THAT ALL "SHALL" BE CHANGED TO "MUST WHERE APPLICABLE AND THAT PARAGRAPH 3 IN PROPOSAL 5 BE DELETED; SECONDED BY COUNCILMAN GAMBOGI: PASSED (7 - 0)

10. ADJOURNMENT

There being no further business to discuss, Mayor Rusing adjourned the meeting at 5:23 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 June 9, 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