PRESCOTT CITY COUNCIL
STUDY SESSION MEETING
TUESDAY JULY 25, 2017
PRESCOTT, ARIZONA

Minutes of the Study Session Meeting of the Prescott City Council held on July 25, 2017, in the Council Chambers located at City Hall, 201 South Cortez Street, Prescott, Arizona.

1. CALL TO ORDER

Mayor Oberg called the meeting to order at 1:00 p.m.

2. ROLL CALL:

Present:	Absent/Excused:
Mayor Oberg	
Mayor Pro Tem Lamerson	
Councilman Blair	
Councilman Lazzell	
Councilwoman Orr	
Councilman Sischka	
Councilwoman Wilcox	

3. DISCUSSION ITEMS

1. Discuss Possible Creation of an Entertainment District within the Prescott Downtown, Pursuant to A.R.S. Section 4-207 (D) (2)

Tom Guice, Community Development Director, presented. He said one of the key aspects of the Entertainment District was to exclude the 300 feet rule from church or school. Jon Paladini, City Attorney, explained the area of the entertainment district. Mr. Guice said it is about a half mile radius.

Councilman Lazzell asked if it could be altered. Mr. Paladini replied yes, and it would still be on a case by case with Council recommendation.

Mr. Lazzell asked if they still have to go through Planning and Zoning to get this zoned. Mr. Guice replied yes.

Mayor Pro Tem Lamerson asked, if it was about a half mile, could future Council expand it. Mr. Paladini said yes, Council could expand it up to a one mile radius.

Councilwoman Orr asked what the timeline would be. Mr. Guice said as soon as they approved it and this would be a great step forward in the Strategic Plan.

Councilwoman Orr asked if it included the creek which would be great. Councilwoman Wilcox said if they had development on the creek, it would be a great opportunity for restaurants.

Councilman Lazzell asked if there were any tax exemptions. Mr. Paladini replied no.

Councilwoman Orr asked if there would be increased advancement for opportunities. John Heiney, Community Outreach Manager replied yes.

Mayor Oberg asked if there were any concerns from the school. Mr. Lamar replied no.

Susan Roberts, Jersey Lilly Saloon owner, said she was not against expansion but it should be done with a business plan in place. She did not understand why they were in a rush to do this. She said she moved here to raise her children in a nice environment and she said to have bars next to them was not a good example. Mayor Oberg asked City Manager Michael Lamar to respond to her concern, but his understanding was to support tourism. Mr. Lamar said it was to market the downtown as an entertainment and cultural arts district and redevelopment for commercial destination perspective, they hadn't heard any concerns form the schools and churches. Mr. Guice said they visited various churches and bars on Whiskey Row and provided information. They did hear from churches about concerns but nothing negative because they did not know what it would pertain to, yet after going out and talking with them helped.

Councilwoman Orr asked if it was part of the Strategic Plan and when was the first time they voted it down. Mr. Guice replied that it was in the Strategic Plan and was voted on about a year ago. Councilwoman Orr said it was not something they were rushing, and they have been working on it for quite awhile. Mr. Guice said when the revised statutes were changed a few years ago to add an entertainment district, Yuma added one at that time.

Mayor Pro Tem Lamerson said the entertainment district was included in the General Plan and wanted to know what percentage of citizens voted for it. Mr. Guice replied by eighty percent of the voters. Mayor Pro Tem Lamerson said they were sanctioning what eighty percent of the voters wanted them to do.

Joe Lohmeier, Far From Folsom owner, said he met with other cities that have entertainment districts and they said it has been beneficial. Mr. Lohmeier said he spoke with the head of the Arizona Department of Liquor License and Control and he said they only issue is having many Series 6 Bar liquor licenses in a County and the development of an entertainment district would not increase bars opening up. The entertainment district would increase the entertainment and arts area. The Council needs to ask if they want to expand and attract tourism to the area.

Leslie Hoy, citizen, said often times the General Plan is used as an excuse for certain interests to do what they want to do. She said the public voted for the General Plan not really knowing what was in it, they voted on it, trusting it had gone through a process.

She asked Council to stop using the General Plan that was approved by eighty percent of the voters. Mayor Oberg asked if the General Plan was mandated by state statute. Mr. Paladini replied yes, every five years it has to be ratified by the voters, and it is on the City website for anyone who wants to read it.

Bruce Reed, Whiskey Row Pub owner, said they should ensure they are using the right square footage for development of the entertainment district.

Kendall Jaspers, Prescott Downtown Partnership, said most of the points had been covered by the presentation and there are multiple parcels to establish the entertainment district and was a great opportunity for our community. He understands it could get bigger as it could be expanded to one square mile. Since this is a law it could change or go away; by establishing it now was good for the downtown area.

The Council agreed by consensus to move forward with the Entertainment District with expanding the lines, and to bring it up again with changes. Mr. Paladini asked if they wanted to put it on the next voting meeting. Mayor Oberg said yes.

Mayor Pro Tem Lamerson said not to strap their limitation. They have the flexibility as a community to use within the parameters of state law another half mile radius to evolve and make adjustments. Mr. Paladini said as Mr. Jaspers indicated, if the law stays in effect, the future Council could expand the entertainment district up to one square mile. Councilman Lazzell asked Mr. Guice to bring back specific information for the area of the entertainment district. Mr. Guice replied yes.

2. Rainwater Harvesting Policy

Leslie Graser, Water Resource Manager, gave a presentation on the Rainwater Harvesting Policy. Ms. Graser said rainwater harvesting relates to unit allocation of alternative water for residential development. She said the unit allocation from 1999 to 2017, for single and multi-family housing, has adjusted its city unit allocations relating to alternative water.

Water Resource Management Review of Rainwater Harvesting

- Queried and analyzed data from the water conservation rebate program and utility billing databases.
- Prepared, distributed, and complied information from a stakeholder questionnaire:
    - v Advocacy group
    - v Developer
    - v Landscape architect
- Review US EPA publication, “Rainwater Harvesting, Conservation, Credits, and Cost Literature Review and Case Studies” (January 2013)
- Reported finding to Council Water Issues Committee on July 5, 2017

Recommendations presented to the Council Water Committee

- Track actual water usage and assess the recent policy changes for "water-efficient residential development" unit allocations before considering creating another (even lower) unit allocation for development providing rainwater harvesting, and/or a reduced water rate for the same.
- Monitor and evaluate the Antelope Crossing subdivision, which will provide useful information regarding public perception, implementation, and use/acceptance of rainwater harvesting by the homeowners, and indicate whether a reduction outdoor water use is actually being achieved.
- Continue to offer a rainwater harvesting system water conservation rebate per City Code 3-10-8.

Recommended Next Milestone: review actual water usage and compare with unit allocation with one (1) full year of data is available at 50% build-out of the Antelope Crossings subdivision; report results of Water Issues Committee and Council.

Councilman Blair said there are periods of time when there is no rainwater for harvesting because of Mother Nature; he did not feel they could put Mother Nature into a graph.

Councilman Sischka asked what the main concern with tying rainwater harvesting with unit allocation. Ms. Graser said the concerns were the data set to make adjustments and the enforcement.

Councilwoman Wilcox said there were assumptions in the policy that were not supported, for example, an older population is more often seeking lifestyle simplification. There are all kinds of water harvesting, and she felt landscaping was part of our beautiful city and if ZeroScaping and rainwater harvesting was used together they could achieve the goal of using less water. She would like to see the data at Animal Crossing once this was established, and the City get more aggressive on education.

Mayor Pro Tem Lamerson asked if they had data of how much water they were extracting, and putting back in. Ms. Graser replied yes. Mayor Pro Tem Lamerson said they could not force people to rainwater harvest, but they are pretty efficient and doing a great job on conservation.

Mayor Oberg said Animal Crossing was a good control group to see if the rainwater harvesting system was working and being used by the community, after the first year. It would take another year to see if people were maintaining exactly what they predicted and a good indicator if they were still using the system.

Bill Gossaler, retired architect, said he was in the process of learning rainwater harvesting and said they could take twenty homes in the new development to build a wastewater treatment plant as an experiment to see if it worked.

Sandra Smith, citizen, asked if water rates would show if someone stopped using low flow utilities. Ms. Graser said they track the water usage through utility billing, but other things may contribute to it and they will be looking at it closer.

Mr. Palmer, citizen, said there was a flaw in the rainwater harvesting rebate. He said they built a rainwater harvesting system by buying most of the equipment through Craigslist and other sources and was able to collect enough barrels to collect about 385 gallons of rainwater. He filled out an application to get a rebate on the amount of water they would collect and were rejected because they did not have receipts. He built it by using alternative methods and did not have receipts.

Mayor Oberg asked if policy requires receipts for a rebate. Mark Woodfill, Finance Director, said yes, it was to help recover the cost of building the system installation. Ms. Graser replied yes as proof of purchase.

Councilman Sischka said if someone purchased five 50 gallon barrels, then had a receipt for $125.00, but they only paid five cents for them they would be making money off his purchase to get a rebate. He said they needed to take a look at the wording on the rebate and what they are trying to do. Mr. Lamar said there is validity of what Councilman Sischka said. They needed to revisit the receipt requirement and reevaluate it as an incentive, or a rebate off the capital of upfront purchase.

Councilman Blair said it would be an incentive based on the application and pictures and actually going out to see if the system was functioning and saving the City water. Mr. Lamar said he agreed. Mayor Oberg asked Mr. Lamar to take a closer look at the rebate aspect. Mr. Paladini said they need to do some clean up on the rebate/incentive portion of the policy.

Councilwoman Orr asked if Mr. Palmer had to reapply. Mr. Lamar replied yes, once they had a chance to take a closer look and make the appropriate changes.

Councilwoman Orr commented Ms. Graser spoke to their group and did a wonderful presentation

4. General Discussion of the City Charter

Councilman Lazzell said he has received calls and inquiries on how the form of government works in the City. It was not like the County or a district, it is a City Manager/Council form of government. He asked the City Attorney to briefly explain what a City Manager form of government is. Mr. Paladini said the charter says the Council has the power to enact local legislature and adopt budgets, policies and direct the City Manager and appointees. The City Manager and staff execute those policies and carry out the policy directions of Council.

Councilman Lazzell asked if he could call the Fire Chief and say he wanted five firefighters at this fire station and twenty firefighters at another fire station. Mr. Paladini

said it would have to be done during the budget process and the City Manager and the Chief would make those operational decisions. Councilman Lazzell said he cannot direct staff to add equipment or staff. It takes the Council to approve during the budget process. Also, staff cannot direct Council to do something; staff discusses with the City Manager. Councilman Lazzell said he wanted to make it clear that it takes the majority of Council to make decisions.

Councilman Blair said if someone comes to him and complains the back path needs to be cleared of debris, he could go to the City Manager to address the concern and not necessarily to the department. Mr. Lamar said most City Managers like to have control of those types of situations, but if it's something minor, he would not have a problem speaking to the department head. If it would take a large amount of time and money, it would have to go though him and at some point it would have to go to the Council. He said the Council was like a board of directors in a large company where they make the policies they appoint the City Manager which is like a Chief Executive Officer (CEO) who would implement and run the day to day operations.

Mr. Paladini said, under the charter, Council is able to inquire or ask questions from the director but what they are prohibited from doing is giving direction to those department heads.

Councilman Lazzell said he did inquire to the department head. He just cannot pick up the phone and make it happen.

Councilman Sischka said they do have a mayoral form of government. Mr. Lamar said in bigger cities, like New York, the Mayor is the CEO and appoints his directors. Councilwoman Wilcox said the Charter was contradicting because it says the Mayor is the CEO. Mr. Lamar said in the State of Arizona they did not have a strong Mayoral form of government. Mr. Paladini said the City of Phoenix and Tucson have the same City Council/City Manager form of government.

Councilman Blair said the reason this came up was because in the past City Council was giving direction to the employees and not going through the City Manager. The employees were getting confused by who they were taking directions from, and it became a huge problem. He understood it should go though the City Manager, but if the City Manager is okay with them going to the department head with small complaints, he was okay with it. Mr. Lamar said not that he did not want to hear about it, but if the situation could be handled a little quicker by going to the department head for minor problems, he was okay with it. They did have to develop a level of trust and working relationships with the elective bodies.

Mr. Paladini said Mayor was Chief Executive for signing documents.

Mayor Oberg said he spoke to the Mayor of Denver; he is not only Mayor, but he also runs the County.

4. ADJOURNMENT

There being no further business to discuss, the Study Session Meeting of July 25, 2017, adjourned at 2:24 p.m.

_____
Harry B. Oberg, Mayor

ATTEST:

_____
Maureen Scott, City Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Special Meeting of the City Council of the City of Prescott, Arizona held on the 25th day of July 2017. I further certify the meeting was duly called and held and that a quorum was present.

Dated this _____ day of _____, 2017.

AFFIX
CITY SEAL

_____
Maureen Scott, City Clerk