



TOWN COUNCIL  
REGULAR MEETING

Council Chambers/Library Auditorium 7401 E. Skoog Blvd. Prescott Valley, Arizona 86314, at 5:30 p.m.

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**MEETING MINUTES**  
**December 11, 2024**

**1. CALL TO ORDER AND ROLL CALL**

**Present:**

**Kell Palguta, Mayor**  
**Kendall Schumacher, Councilmember**  
**Michael Greer, Councilmember**  
**Matt Zurcher, Councilmember**  
**Kenneth Freund, Councilmember**  
**Janell Kiehl, Councilmember**  
**Bill Williams, Councilmember**

**Absent: None.**

Mayor Palguta called the meeting to order at 5:30 p.m.

**2. INVOCATION AND PLEDGE OF ALLEGIANCE**

The invocation was given by Pastor Chita Olson from ONE Church followed by the recitation of the pledge of allegiance.

**3. SCHEDULED ANNOUNCEMENTS & PRESENTATIONS**

**3a. Student of the Month [Rick Bradshaw, BMHS Principal]**

Each month the Optimist Club of Yavapai County, in collaboration with Bradshaw Mountain High School, honor outstanding students that excel in community involvement, activities, academics, and leadership skills. Councilmember Greer along with Principal Richard Bradshaw had the privilege and honor of recognizing Jenna Lys and Jose Espinoza as students of the month for December. These students were nominated by school staff and instructors for their school and community engagement efforts. Jenna Lys and Jose Espinoza took the opportunity to read a personal biography. Following, Councilmember Greer and Michael Whiting from the Optimist Club presented both students with a certificate and a copy of the Optimist Creed.

#### **4. CALL TO THE PUBLIC**

**Public Comment #1:** Resident Atilano Olivas voiced the need for the Town to adjust the budget and audit expenditures, construct an overpass on Robert Road and State Route 89, improve existing roadways and infrastructure, and clean debris on State Route 69 and 89. He then discussed the importance of traffic and water management.

**Public Comment #2** Resident Isabel Cerecedes, on behalf of the Prescott Valley Citizens Alliance (PVCA), congratulated and welcomed Councilmember Bill Williams and Councilmember Janell Kiehl. Cerecedes discussed the mission, vision, focus, goals and values of the PVCA. She noted that PVCA is current exploring the prospects and benefits of a government charter and shared hope that the Town Council will support an open dialogue.

**Public Comment #3:** Resident Debbie Winter thanked the Public Works Department for their efforts in mitigating the erosion issues centered around the culvert in the Whistle Wash that runs through the Quailwood community and extended appreciation towards the Town Council for approving the funds for the project. She then argued against the validity of accusations outlined in an email dated June 8, 2024 from Bill Williams discussed at a previously held Town Council Candidate Forum.

**Public Comment #4:** Resident Diane Gomez stated opposition to extreme development proposals. She discussed the prior Town Council approval of the Lakeshore 650 project and the referendum that followed. She shared her belief that Bill Williams was the first person to give the residents hope of attaining some modicum of power over the future of their Town. She then discussed the formation of a Political Action Committee and their recent public records request submission.

**Public Comment #5:** Resident Tom Steele discussed the resistant stance he took during his tenure as a member of the Prescott Valley Town Council to include his vote against the water agreement for the Big Chino Ranch between Prescott and Prescott Valley. He discussed the new majority of the Council and the hope that these newly elected members will restore the Town to work for the people of Prescott Valley, and not for those running matters behind the scenes.

**Public Comment #6:** Resident Sandy Young indicated he was under the impression that Prescott Valley was managed in a more transparent environment but noticed that may not be the case given the negative comments from residents surrounding Town Management. He disagreed with the Town's decision to spend ARPA federal grant funds on the archway as the funds were intended for COVID-19 business relief. He questioned why the ARPA funds were not put towards helping small businesses or fixing the soil erosion on StoneRidge Drive given that it is repaired year after year. He then inquired on whether the archway will bring in a significant amount of revenue to justify the cost.

**Public Comment #7:** Resident Joe Hammes discussed sidewalks and trails within Town that are in need of repair and questioned why the Town would consider building more sidewalks if it cannot maintain those that currently exist.

**Public Comment #8:** Resident Bear Shimmin stated opposition towards agenda item surrounding Community Facilities Districts stating that if a developer cannot afford the cost, they should raise the price of the home instead of burdening residents within the community.

**Public Comment #9:** Resident Eric Tetreault explained that he has been called out by name by PVCA for his false and defamatory statements and for mischaracterizing the objectives of their organization. He had requested a response from PVCA as to what those accusations were but has not received a response. Tetreault discussed

voter turnout during the most recently held Council election. He then detailed his public records request fulfilled by the Town that led to disclosure of 940 emails and documents that were addressed to or from Bill Williams over the last five years. He shared concern over the many defamatory names and comments that came from Bill Williams during his exchanges with the Town Manager, Town Attorney, and the Town Council.

**Public Comment #10:** Resident Louise Weeks read from an email written by Bill Williams dated December 2, 2024 and clarified accusations asserted in the email. She voiced that it is unacceptable for any Councilmember to attempt to hinder residents from participating in a call to the public forum and requested that these types of actions be reined in and stopped.

**Public Comment #11:** Resident Lucy Leyva welcomed the newly elected officials and spoke on the qualities of an effective Councilmember. She then commented that the actions of Bill Williams prior to him being sworn in were not respectful, polite or differential and shared her expectation that such behavior will change.

## **5. COUNCIL COMMUNICATIONS: SUMMARY OF CURRENT EVENTS**

Councilmember Greer praised Town staff for the wonderful and well attended Winter Spectacular event that was held this past weekend.

Mayor Palguta extended additional appreciation towards staff and shared that he spoke with several residents from other communities that were in attendance.

## **6. MANAGER'S REPORT: SUMMARY OF CURRENT EVENTS**

Town Manager Gilbert Davidson advised that the monthly report for November is available online. He then thanked all Town departments for their contributions in preparing and organizing the Winter Spectacular event.

## **7. CONSENT AGENDA**

- 7a.** Study Session Meeting Minutes of November 7, 2024 - Consideration & Possible Action (Approve) [Fatima Fernandez, Town Clerk]
- 7b.** Special Town Council Meeting Minutes of November 14, 2024 - Consideration & Possible Action (Approve) [Fatima Fernandez, Town Clerk]
- 7c.** Regular Town Council Meeting Minutes of November 14, 2024 - Consideration & Possible Action (Approve) [Fatima Fernandez, Town Clerk]
- 7d.** IGA Yavapai Prescott Indian Tribe "Rainwater Harvesting for Aquifer Recharge" Project – Consideration & Possible Action (Authorize Signature) [Tracy Lund, Water Resources Advisor] removed from consent agenda.
- 7e.** Ratification of Approval, AZ State Land Dept Notice of Appraisal (Viewpoint Tank Expansion Project) - Consideration & Possible Action (Authorize Signature) [Neil Wadsworth, Utilities Director]
- 7f.** Memorandum of Understanding Yavapai Prescott Indian Tribe, Pass-Through Funding - Consideration & Possible Action (Approve) [Ryan Judy, Deputy Town Manager]
- 7g.** Reallocation of American Rescue Plan Act (ARPA) Funds - Consideration & Possible Action to (Authorize) [Celina Morris, Finance Director]

- 7h.** Easement Approvals Lake Valley Road Improvements Project (CIP #ST2405) - Consideration & Possible Action (Authorize Signature) [Jon Leyba, P.E. – Public Works Engineer]
- 7i.** New Debt Management Policy 4-14 & Revised Community Facilities Districts Policy 4-13 – Consideration & Possible Action (Authorize Signature) [Celina Morris, Finance Director]  
removed from consent agenda.

Mayor Palguta removed item 7d. and 7i from the Consent Agenda.

Councilmember Matt Zurcher made the MOTION, seconded by Councilmember Kendall Schumacher to approve the Consent Agenda minus those two items (7d. and 7i).

Councilmembers voted as follows: Mayor Kell Palguta YES, Councilmember Kendall Schumacher YES, Councilmember Michael Greer YES, Councilmember Matt Zurcher YES, Councilmember Kenneth Freund YES, Councilmember Janell Kiehl YES, and Councilmember Bill Williams YES. NAYS: none. ABSENT: none. MOTION PASSED with 7 ayes, 0 nays, 0 absent.

Mayor Palguta then addressed agenda item 7i explaining that this item is a policy approval and does not constitute an approval of any Community Facilities District.

- 7i.** New Debt Management Policy 4-14 & Revised Community Facilities Districts Policy 4-13 - Consideration & Possible Action (Authorize Signature) [Celina Morris, Finance Director]

Councilmember Kendall Schumacher made the MOTION, seconded by Councilmember Michael Greer to authorize the Mayor to sign Resolution No. 2024-2399 adopting revised Policies 4-05 “Fiscal Planning & Management Policy” and 4-13 “Establishment of Community Facilities Districts”, and new Policy 4-14 “Debt Management” by electronic vote.

Councilmembers voted as follows: Mayor Kell Palguta YES, Councilmember Kendall Schumacher YES, Councilmember Michael Greer YES, Councilmember Matt Zurcher YES, Councilmember Kenneth Freund YES, Councilmember Janell Kiehl YES, and Councilmember Bill Williams YES. NAYS: none. ABSENT: none. MOTION PASSED with 7 ayes, 0 nays, 0 absent.

## **8. OLD BUSINESS**

- 8a.** ZOA24-001 Town Code Chapter 13 “Zoning” Update - Consideration & Possible Action (2nd Reading) [Donna Kennedy, Development Services Director]

Donna Kennedy, Development Services Director, thanked the members of the Town Council and Planning and Zoning Commission who participated in the Chapter 13 Zoning update. Director Kennedy discussed the efforts to obtain input from businesses, including from the Yavapai County Contractors Association, and noted that the updated code was also posted on the Town’s website. She then discussed the impact such an update would have in addressing safety, sustainability, and quality of life for the community.

Councilmember Matt Zurcher made the MOTION, seconded by Councilmember Michael Greer to change the term “special use permit” in Section 13-04-010.C.3 to “conditional use permit,” to conform to the Council’s action at the November 14 public hearing.

Councilmembers voted as follows: Mayor Kell Palguta YES, Councilmember Kendall Schumacher YES, Councilmember Michael Greer YES, Councilmember Matt Zurcher YES, Councilmember Kenneth Freund

YES, and Councilmember Janell Kiehl YES. NAYS: none. ABSTAIN: Councilmember Bill Williams. ABSENT: none. MOTION PASSED with 6 ayes, 0 nays, 1 abstain, 0 absent.

Councilmember Matt Zurcher made the MOTION, seconded by Councilmember Kendall Schumacher to authorize the Town Clerk and Town Attorney to correct any incorrect cross-references in the Town Code Chapter 13 “Zoning” Update.

Councilmembers voted as follows: Mayor Kell Palguta YES, Councilmember Kendall Schumacher YES, Councilmember Michael Greer YES, Councilmember Matt Zurcher YES, Councilmember Kenneth Freund YES, and Councilmember Janell Kiehl YES. NAYS: none. ABSTAIN: Bill Williams. ABSENT: none. MOTION PASSED with 6 ayes, 0 nays, 1 abstain, 0 absent.

Fatima Fernandez, Town Clerk, read Ordinance No. 2024-947 by title only for the second reading. Mayor Palguta asked, “Shall this Ordinance Pass?”

Councilmembers voted as follows: Mayor Kell Palguta YES, Councilmember Kendall Schumacher YES, Councilmember Michael Greer YES, Councilmember Matt Zurcher YES, Councilmember Kenneth Freund YES, Councilmember Janell Kiehl YES, and Councilmember Bill Williams YES. NAYS: none. ABSENT: none. MOTION PASSED with 7 ayes, 0 nays, 0 absent.

## **9. NEW BUSINESS (FOR REVIEW, COMMENT, AND/OR POSSIBLE ACTION)**

### **9a. Vice Mayor Appointment - Consideration & Possible Action (Appoint) [Fatima Fernandez, Town Clerk]**

Mayor Palguta summarized the Vice Mayor’s duties and responsibilities. Following, he indicated that he had spoken to Councilmember Zurcher prior to the meeting and asked whether he would be interested in filling the role of Vice Mayor.

Councilmember Freund suggested that the Vice Mayor appointment be up for consideration on an annual basis.

Mayor Palguta explained that Freund’s suggestion could be revisited in the future and requested clarification on what Town Code specifies with regards to the length of appointment for Vice Mayor.

Town Attorney Ivan Legler explained that under current Town Code, the appointment is until the next time the Mayor is elected; however, that is subject to the Council’s ongoing approval. At any time, a vote could be brought forward to suggest another serve as Vice Mayor.

Mayor Palguta shared that this discussion could continue to be had during the upcoming Council Retreat.

Councilmember Kendall Schumacher made the MOTION, seconded by Councilmember Janell Kiehl to appoint Councilmember Matt Zurcher to serve in the capacity of Vice Mayor in accordance with ARS §9-236 and Town Code §2-02-020.

Councilmembers voted as follows: Mayor Kell Palguta YES, Councilmember Kendall Schumacher YES, Councilmember Michael Greer YES, Councilmember Matt Zurcher YES, Councilmember Kenneth Freund YES, Councilmember Janell Kiehl YES, and Councilmember Bill Williams YES. NAYS: none. ABSENT: none. MOTION PASSED with 7 ayes, 0 nays, 0 absent.

### **9b. Development Impact Fee Audit per ARS 9-463.05(G)(2) - Consideration and Possible Action (Public Hearing, Discussion Only) - [Celina Morris, Finance Director]**

Mayor Palguta opened the public hearing.

Irina Ermakova, Deputy Finance Director, indicated that the Town is required to have an impact fee audit every two years pursuant to Arizona Law. Heinfeld, Meech & Co. PC performed an audit to extensively review how the impact fee funds are received and spent for FY 2023-2024.

There were no comments from the public.

Mayor Palguta closed the public hearing.

**9c. Prescott Valley Audit & Annual Comprehensive Financial Report (ACFR) FY 2023-24 - Consideration & Possible Action to (Approve) [Celina Morris, Finance Director]**

Irina Ermakova, Deputy Finance Director, advised that every year the results of an audit is brought before the Council along with the completed Annual Comprehensive Finance Report (ACFR). Heinfeld, Meech & Co. PC performed the audit to ensure the Town's compliance with Federal and State regulations. Deputy Director Ermakova introduced Michael Lauzon, CPA, of the firm (Heinfeld, Meech & Co., PC) to present this year's audit results for FY 2023-2024.

Michael Lauzon identified that Heinfeld, Meech & Co., PC performs the financial audit for the Town and six Community Facilities Districts. Additionally, they work with the Town on the highway user revenue compliance, the impact fee, the single audit and the expenditure limitation report. He specified that it is required by law to have an auditor present the audit report every year within sixty days of the issuance of the audit report. Lauzon explained that, as to the financial audit, their objective is to obtain reasonable assurance on whether the financial statements are free from material misstatement due to error or fraud. The audit process involves sampling disbursements and payroll and conducting confirmations for revenue and cash to ensure that the numbers being reported are accurate, supported and representative of the activity. The Town received what is considered an unmodified opinion which is the highest opinion that is given. This means that the financial statements are materially free from misstatement due to error or fraud. Lauzon noted that the Town received an award from the Government Finance Officers Association (GFOA) for an outstanding presentation of the report for the most recent audit completed in 2023 and shared his expectation that the Town will receive that same designation with the 2024 audit report. He then discussed the single audit which is required as the Town receives and expends more than \$750,000 in federal awards. This past fiscal year, the Town received and expended more than 7 million dollars in federal grants to include the Coronavirus State and Local Fiscal Recovery Fund as well as federal transit grants. Both grants received the unmodified opinion related to compliance.

Mayor Palguta commended Michael Lauzon and his team.

There was no further discussion on this item.

Councilmember Matt Zurcher made the MOTION, seconded by Councilmember Michael Greer to accept and adopt the ACFR as presented by Heinfeld, Meech & Co. PC by electronic vote.

Councilmembers voted as follows: Mayor Kell Palguta YES, Councilmember Kendall Schumacher YES, Councilmember Michael Greer YES, Councilmember Matt Zurcher YES, Councilmember Kenneth Freund YES, Councilmember Janell Kiehl YES, and Councilmember Bill Williams YES. NAYS: none. ABSENT: none. MOTION PASSED with 7 ayes, 0 nays, 0 absent.

**9d. FDP24-011 CAFMA Storage Facility- Consideration & Possible Action (Authorize Signature)  
[Chris Norlock, Development Services Urban Planner I]**

Chris Norlock, Development Services Urban Planner I, explained this request for a Final Development Plan from the Central Arizona Fire and Medical Authority is to develop a vehicle storage building on a portion of the 1.32 acre parcel known as 6401 N. Viewpoint Drive (APN 103-35-197C) at the southeast corner of Addis Avenue and Viewpoint Drive. The project site is bordered by residential to the east and south, automotive services to the west, and a restaurant to the north. The request is to develop a 4800 sq. ft. vehicle storage building and associated site improvements. All parking on site is existing with no additional parking required. The building facility would contain five overhead garage doors and six bays. Norlock displayed the proposed floor plan. He then advised that Town staff considers this accessory use an expansion of a public safety facility and recommended approval of FDP24-0011.

Mayor Palguta commented that he could not think of a better place for this CAFMA storage facility.

Councilmember Zurcher noted that as former Chairman of the Central Arizona Fire and Medical Authority he is aware that this project has been in process for several years. CAFMA has a storage facility at Station 61 in Chino Valley but has not had a storage facility in Prescott Valley. Councilmember Zurcher noted that this is going to be critical for storing apparatus, to include storage of parade fire engines.

Councilmember Kendall Schumacher made the MOTION, seconded by Councilmember Matt Zurcher to authorize the Mayor to sign Resolution No. 2024-2398 adopting FDP24-011 for the new vehicle storage facility for CAFMA by electronic vote.

Councilmembers voted as follows: Mayor Kell Palguta YES, Councilmember Kendall Schumacher YES, Councilmember Michael Greer YES, Councilmember Matt Zurcher YES, Councilmember Kenneth Freund YES, Councilmember Janell Kiehl YES, and Councilmember Bill Williams YES. NAYS: none. ABSENT: none. MOTION PASSED with 7 ayes, 0 nays, 0 absent.

**9e. Engineering Design Services, Cattletrack Pedestrian & Drainage Improvements, CIP# ST2501 in the amount of \$237,250 - Consideration & Possible Action (Approve) [Jon Leyba, Public Works Engineer]**

Jon Leyba, Public Works Engineer, advised Council this item is to seek approval to award a design contract for Cattletrack pedestrian and drainage improvements also known as Cattletrack Phase II sidewalk extension. Phase I went from Addis Avenue to Yucca Drive. Phase II will be a continuation of Phase I from Yucca Drive to Roundup Drive and West on Viewpoint Drive. The proposed design includes approximately 2,000 feet of sidewalk, curbs and gutters, ADA compliant curb ramps, asphalt resurfacing, as well as drainage improvements. This project will provide sidewalk and path connections and is budgeted for FY 2024-2025. Funding is through a Community Development Block Grant (CDBG), HURF street and Stormwater funding. The CDBG program funding that the Town is eligible for once every four years is noncompetitive. Additionally, the CDBG program supports community development activities to build strong and more resilient communities in lower income areas. The project area is within a 70.25% Low-Moderate Income (LMI) neighborhood. Engineer Leyba then discussed the competitive procurement process that led to the selection of Lyon Engineering and Surveying, Inc. for this project. The design is anticipated to be bid ready come July or August of 2025 with an estimated 120 day duration for construction.

Mayor Palguta shared excitement for the completion of this project and highlighted the positive impact that will likely result from these improvements.

Councilmember Kendall Schumacher made the MOTION, seconded by Councilmember Matt Zurcher to approve an Agreement with Lyon Engineering & Surveying, Inc. for professional design and construction administration services for the Cattletrack Pedestrian & Drainage Improvements Project (CIP#ST2501) in the amount of \$237,250.00.

Councilmembers voted as follows: Mayor Kell Palguta YES, Councilmember Kendall Schumacher YES, Councilmember Michael Greer YES, Councilmember Matt Zurcher YES, Councilmember Kenneth Freund YES, Councilmember Janell Kiehl YES, and Councilmember Bill Williams YES. NAYS: none. ABSENT: none. MOTION PASSED with 7 ayes, 0 nays, 0 absent.

## **10. ADJOURNMENT**

Mayor Palguta adjourned the meeting at 6:37 p.m.

ATTEST:

APPROVED:

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Fatima Fernandez, Town Clerk

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Kell Palguta, Mayor

STATE OF ARIZONA)  
COUNTY OF YAVAPAI)

ss:  
TOWN OF PRESCOTT VALLEY)

### **CERTIFICATE OF COUNCIL MINUTES**

I, Marissa Greenwood, Deputy Town Clerk of the Town of Prescott Valley, Arizona, hereby certify that the foregoing minutes are a true and correct copy of the Minutes of the Regular Meeting of the Town Council of the Town of Prescott Valley, held on December 11, 2024. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this January 9, 2025

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Marissa Greenwood, Deputy Town Clerk