

# COUNCIL DECISION REQUEST

SUBJECT: Rick Croy Well Request

MEETING DATE: April 27, 2006

CSP ITEM: Yes No x

ITEM NO.:

TENTATIVE SCHEDULE: N/A

SUBMITTED BY: Fred Carpenter 

AMOUNT BUDGETED: N/A

SUBMITTAL TO AGENDA

EXPENDITURE REQUIRED: N/A

APPROVED BY TOWN MANAGER

CONT. FUNDING REQUIRED: N/A

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EXHIBITS (If Applicable, To Be Attached):

Council meeting minutes from

- (1) December 12, 1996
- (2) June 12, 1997
- (3) June 26, 1997
- (4) March 26, 1998
- (5) June 2, 1998
- (6) July 23, 1998
- (7) August 13, 1998
- (8) August 27, 1998
- (9) August 26, 1999

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## RECOMMENDED MOTION

I move to direct staff to review the issue of waiver of development impact fees and connection charges in connection with wells impacted by Town wells and report back to Council with a recommended program.

**SUMMARY OF THE BASIS FOR RECOMMENDED MOTION:** At the March 9 Council meeting, Rick Croy stated that a well drilled in the late 90's in connection with the Stone Creek subdivision was in his view impacting his well. He asked what the Town planned to do with regard to this situation. Council directed staff to look into the matter and bring it back for further discussion.

In preparing for the discussion, staff conducted a minute search and found the attached nine excerpts that have some bearing on the issue and provide background to its understanding. The minutes dated August 13 go to the heart of the issue as they concern an appeal about whether the Town could waive water development impact fees and connection charges for property owners with private wells that may have been impacted by the well developed by Stone Creek LLC. Council voted 4-2 to take no action on the issue at the time on the waiver issue but by implication agreed to revisit the issue "if the occasions should arise".

Water Department policy has been consistent in that no direct assistance has ever been offered to improve wells for owners whose wells run dry. Well levels rise and fall for a variety of reasons, including weather and variations in consumption. However, private wells in municipal service areas do have an impact on the water available to customers, which means it is in the Town's best interest to encourage private well owners to connect to the public

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## ***COUNCIL DECISION REQUEST***

water supply. Accordingly, the Water Department would like to develop an incentive program for private well owners to connect to the public water supply.

**PROS:** An incentive program would be useful for both private well owners and the Town

**CONS:** None

**PUBLIC INPUT (if any):** See attached minutes.

**BOARD/COMMITTEE/COMMISSION ACTIONS/RECOMMENDATIONS (if any) (give dates and attach minutes):**

N/A

- A Mr. Streichman said that the basic idea behind the negotiations was for the Town to sell the lots. Clmn. Murphy wanted to get more information on recycling and what the buyer was planning on doing with the property. Vice Mayor Lubken stated that the motion could be adjusted to say "negotiate for the potential sale" of those lots. This would leave the door open for other offers. There was concern that individuals interested in the issue possibly thought the Council meeting was at 6:00 p.m. instead of 4:00 p.m. Cont'd...
- B Clmn. Brewer stated that she had been told that the recycling operation would be inside, not outside, which would eliminate paper blowing around the property. Cont'd...
- C Clmn. Monschein moved to authorize the Town Attorney to proceed with negotiations with Mr. Frank Heemstra for the sale of Lots 20 and 21 of Sky Park Industrial Park. Motion was seconded by Vice Mayor Lubken. Motion carried, 7-0. Lots 20, 21 Sky Park Negotiations - Authorized, 7-0
- D Rumsey Park Multi-Purpose Field. This was a Council Decision Request filed by William Schwind, Parks and Recreation Director, to authorize the Mayor to request \$50,000.00 from Gila County to help complete the Rumsey Park Multi-Purpose Field renovation project. CDR: Rumsey Park Multi-Purpose Field
- E Mr. Schwind stated that over the past two years the Town had negotiated with the county to help supplement some park development projects due to the fact that around 30% of registrations were from out-of-town residents. In lieu of charging additional fees for out-of-town patrons, the county provided \$50,000 grants on an annual basis to help facilitate park enhancements. He said that last year's money went to Green Valley Park playground equipment. The Parks and Recreation Advisory Board had reviewed five construction projects and the soccer, or multipurpose, field at Rumsey Park became the priority project. He handed out information regarding synthetic grass, which he said the grant would pay half. Currently, negotiations had brought the amount down to \$108,000 from \$167,000. A description was given of the artificial surface. Staff Report
- F Clmn. Murphy moved to authorize the Mayor to request \$50,000.00 from Gila County to help complete the Rumsey Park Multi-Purpose Field renovation project. Motion was seconded by Clmn. Gaylord. Motion carried, 7-0. \$50,000 Request APPROVED, 7-0
- G Town Legal Department. This was a Council Decision CDR: Legal

- A Mayor Stiffler confirmed that this item was to be in resolution form for consideration at the next Council meeting. There was some discussion regarding hours spent by staff for planning services and the process involved at arriving at the amount. Clmn. Monschein moved, seconded by Clmn. Schum, to direct staff to prepare the necessary documents to approve the proposed fees as listed on the agenda. Motion carried, 7-0.
- B Sky Park-Lots 20 and 21. This was a Council Decision Request, filed by Sam Streichman, Town Attorney, to authorize the Town Attorney to negotiate with Mr. Frank Heemstra for the sale of Lots 20 and 21 of Sky Park Industrial Park.
- C Clmn. Monschein asked Buzz Walker, Public Works Director, if he was going to make a deal with Mr. Heemstra to permit the Town to drill prior to negotiations for the lots. Mr. Walker stated that he was attempting to contact Mr. Heemstra, and that Clmn. Brewer had helped discover that Mr. Heemstra had no problem with that. Mr. Underkofler stated that Rick Croy was seriously concerned about the Town drilling a well there which would drawn down his well. He also stated that at the meeting of the Economic Development Corporation that morning one of the Sky Park property owners expressed concern about the proposed use, and that it might have an effect on other uses in Sky Park. By way of clarification as to the use of the lots, Mr. Underkofler stated that the lots were to be used for a recycling facility. Mr. Gould added that those uses were not currently permitted in the zoning code, however, the Town was looking to amend that. Mr. Underkofler further stated that there was property northwest of Payson Ranchos subdivision that this was in exchange for. If this was not acceptable, then Mr. Heemstra could request an option on the lots until the property northwest of Payson Ranchos sold. The action under discussion was to continue with negotiations. It would also give Council's consent to a recycling facility use. Mr. Underkofler emphasized that the PEDC did not take a position on it, that it was one of the property owners who was concerned about the type of use and its effect on adjacent uses. He also pointed out that there was a previous recycling use at Sky Park which he was told was unsightly. He said that it was suggested that the existing building could be used rather than starting all over again. Mr. Underkofler stated that he was speaking on behalf of the one Sky Park property owner who expressed concern regarding the character of that type of operation.

R e v i s e d  
Schedule of  
Fees/Planning  
Services Docs  
APPROVED, 7-0

CDR: Sky Park  
Lots 20 & 21

Staff Comments  
and Concerns

- A Sam Streichman, Town Attorney, gave a brief overview of the resolution. The first step was to see if the wells produced. If the wells did not produce, then the agreement stopped. Through Clmn. Murphy and LaRon Garrett the area was identified as that which was included in the Southwest Ground-water study, however was not identified as a production area. Clmn. Murphy questioned the Town paying for exploration. Overview -  
Questions
- B ~~Calvin Wilson and Richard [REDACTED] property owners in the area, expressed considerable concern regarding the Town drilling wells, the possibility of those wells taking water from their wells, and also why notice had not been given to adjoining property owners. Mr. Gray also stated that if the Town owned the property, it would be involved in a private road maintenance agreement for access to that property with the other property owners.~~ Public Concerns -  
Adjacent  
Property Owners
- C Clmn. Murphy moved, seconded by Clmn. Schum to table Resolution No. 1203. Motion carried, 7-0. Res. #1203  
TABLED, 7-0

**REPORTS - OTHER**

**CHIEF BUILDING INSPECTOR - RAY LAHAYE**

- D Council received for information on the Consent Agenda the Building Inspector Report for the month of April 1997. There were 109 total number of permits issued; Plan Review Fees collected - \$15,772.77; total valuation for the month - \$6,476,299.078; 516 inspections performed; and Calendar Year-to-date: Valuation - \$18,523,778.37; Total fees collected - \$402,608.80. B l d g .  
Inspector's  
R e p o r t  
\*CONSENT\*

**UNFINISHED BUSINESS**

**NEW BUSINESS**

- E **Concerts Under the Stars.** Mayor Stiffler opened for discussion/possible action concerning a letter dated June 2, 1997, from Douglas White concerning proposed Concerts Under the Stars. Mr. White requested Council consideration to hold the concerts at Green Valley Park, and, for the first year, to sponsor the concerts for an estimated amount of \$8,567.00; and, that required insurance coverage be under the Town of Payson's existing policies. Concerts Under  
The Sky Request  
- Doug White
- F Doug White explained that the proposal was for six weeks beginning June 28, 1997. Mr. Udall had told him if the concerts were done under Parks and Recreation, Doug White -  
Proposal

**Public Comments.**

Public Comments

- A Mr. Harold Snyder, Payson resident and developer, requested council consideration in adopting a law that would make it illegal to dishonor the American flag. He recited an incident the past weekend during flag day celebrations, wherein he encountered a gentlemen with the flag hung upside down and who refused to right the flag until Vice Mayor Lubken and Councilmember Murphy had spoken to the individual. Mr. Snyder thanked them for their help.

Flag law requested
- B Ms. Susan Bircheck, Round Valley resident asked council to consider developing a "Dark Skies Ordinance", making sure the lights are aimed in the right direction, protecting our skies from a hazy glow and allowing residents to continue to be able to see the stars.

Dark Skies Ord. Requested
- C **Application P-230-97.** Mayor Stiffler opened the public hearing concerning Application P-230-97, filed by Stone Creek Development L.L.C., authorized agent, for a zone change request from R1-175 to R1-10-MH and R1-8-MH, for a proposed one hundred and thirty (130) residential lot subdivision; generally located north of the Payson Townsite Subdivision and south of the 800 block of W. Longhorn Road, Payson, Arizona.

Public Hearing - App. P-230-97 Stone Creek
- D Mr. Bob Gould, Community Development Director, verbally recited the eleven conditions as recommended by the Planning & Zoning Commission, including the additional of a twelfth condition, which was a request that the Planning & Zoning Commission be allowed to review the final plat to see if adjustments had been made in regards to ingress/egress and look for possibilities for better method of ingress/egress from the subdivision.

Staff Report B. Gould
- E The following persons spoke in opposition of the application: Ms. Ruby Finney, 820 W. Longhorn Road, Payson; Mr. Bill Webb, (no address given); and, Mr. Conrad Okerwall, 904 W. Rim View, Payson. Their concerns generally addressed water, traffic congestion and safety, and population of Payson. Mr. Webb felt that the town should keep the population at 11,000.

Citizens contra application
- F Mr. Walter Babecky, 202 N. Parkwood, Payson, felt that if the stated 8,000 to 29,000 square footage quoted for the lots were accurate, and if the foliage removed was kept to the stated 29% removal, it would be alright; however, he, too, voiced a concern about water supply.

Walt Babecky comments

- A Mr. Dan Hellman, speaking for the developers of the subdivision, summarized the basics of the applications stating that the development allowed for 130 homes, an additional 2.22 acres had been acquired since their previous application, minimum lot size had been increased to 8,000 square feet, Rim View Road had been realigned and the developers are willing to continue to work with staff if it were determined that Rim View Road be changed. Mr. Hellman then presented a petition that he advised had been signed by 1000 residents of the Town of Payson who were in support of the development.
- D. Hellman  
Developer  
comments
- B During further discussion, Mr. Hellman responded to queries of Council by stating in the affirmative that they planned to bring a new, verifiable water source to Payson, under Ordinance No. 480; they had spoken with Southwest Ground-Water and now understood what their report meant, where the aquifers were and where the Town of Payson wells were located. He again responded in the affirmative that he understood the requirement to bring the new, verifiable water source (as approved by council and the Public Works Director) prior to final plat approval.
- Mr. Hellman  
responds to  
queries
- C At the request of the Mayor, Mr. Streichman, Town Attorney, read his recommended change to Item #3, Page 7 of the conditions recommended by the Planning and Zoning Commission: "...Stone Creek Development L.L.C., the developer, shall provide to the Town of Payson, at the sole expense of the developer, a new, adequate and verifiable source of water supply for its proposed development, which shall be subject to the approval of the Town Council of the Town of Payson and the Public Works Director for the Town of Payson and which shall be provided by the developer and so approved or the zoning districts contemplated by this application number P-230-97 shall not become effective. No zone change and no establishment of a zoning district occurring as a result of Application Number P-230-97 shall be or become effective until such time as all the conditions set forth in this Paragraph 3 have been fully complied with by the developer and the water supply for said development has been found by the Town Council of the Town of Payson and the Public Works Director for the Town of Payson to be adequate, has been verified and has been found not to negatively impact existing Town of Payson water supplies..."
- Town Attorney  
s u g g e s t e d  
Change to #3 of  
P & Z  
recommendations
- D Further responding to Council concerns and queries, Mr. Hellman said that they would be happy to work with Mr.
- Mr. Hellman  
f u r t h e r

- Garrett regarding road/traffic concerns, the manufacturer of their homes was CAVCO and the subdivision had very stringent CC&R's which would prohibit anything except new manufactured site built construction homes; and he stated that he had never been promised a water development agreement for this project. responds to queries
- A Further concerns were expressed by council regarding ingress and egress. Councilmember Monschein stated that he would like staff and the developer to work together regarding concerns over ingress/egress including Rim View, Mesquite, and Summit. Mr. Gould pointed out that was already covered in the twelfth condition added by Planning & Zoning. Councilmember Monschein said he would prefer it be reviewed at the Preliminary Stage instead of at Final Plat. T r a f f i c Concerns
- B Attorney Streichman asked if protests had been received sufficient to create a super majority. The Community Development Director responded in the affirmative that, due to protests received, a super majority vote was required to approve the application. Super Majority Vote Necessary
- C Mr. Webb asked if the two young men who had circulated the petition (handed in by Mr. Hellman) in support of the application, were employed by the Real Estate Developers. Mr. Jim Young responded emphatically "No", and added that one of the young men had left town because of "obscene calls" he had been receiving and did not even want to be here anymore. An unidentified young man in the audience responded to further queries by stating that he had nothing to do with real estate nor did his mother and father. Q u e s t i o n e d p e t i t i o n circulations as being in Real Estate.
- D The Mayor closed the public hearing and Vice Mayor Lubken moved, seconded by Councilmember Gaylord, to approve Application No. P-230-97, filed by ~~Stone Creek~~ Development L.L.C. for a zone change request from R1-175 to R1-10-MH and R1-8-MH, with all of the conditions as approved by the Planning & Zoning Commission, striking their third condition and replacing it with the condition as provided and read earlier by our Town Attorney and changing Condition No. 12 to: "at the preliminary plat stage"; motion carried 7-0. M o t i o n t o approve carried 7-0.
- E The Mayor called for a break at approximately 6:52 p.m. Council reconvened at approximately 7:02, with all councilmembers present. Break/Reconvene
- F Application P-231-97. Council approved, on the Consent App. P-231-97

assurances; the remaining phase of the Woodhill Unit I plat and the first phase of the Unit II plat.

- A Clmn. Murphy moved to approve Resolution No. 1265, seconded by Clmn. Schum; motion carried, 7-0. Res. #1265 APPROVED, 7-0
- B Mayor Stiffler moved Agenda Item F.2, Final Subdivision Plat for the Stone Creek Subdivision, forward for discussion, prior to discussion on Resolution No. 1266. Agenda Item RE Stone Creek Moved
- C Stone Creek Final Plat. This was a Council Decision Request filed by LaRon Garrett, Public Works Engineer, to approve the Final Subdivision Plat for the Stone Creek Subdivision (a 130-lot subdivision located between W. Longhorn Rd. and W. Summit St. immediately east of Green Valley Parkway) contingent upon final approval by the Payson Public Works Department of the well and water line plans to connect the new well to the Town of Payson water system; and, authorization for the Mayor to sign said documents and authorization for staff to record said documents upon approval of the well and water line plans. CDR: Stone Creek Final Plat
- D Mr. Garrett stated that the onsite improvement plans were complete and approved. They had been working on a well in the northwest corner of town for a water supply. It was Mr. Garrett's understanding that the water supply was available for 200 gallons per minute, and in excess of what was required, 123 gallons per minute. The only item not complete was the actual well design, as well as the water line which would connect the well to the Town system. This should be completed next week for review and approval. Staff recommended approval subject to those plans being approved and ready for construction. Staff Comments
- E Calvin Wilson, 1043 W. Bridle Path Lane, assumed that Stone Creek was responsible for the connection of the water line between Turtle Rock well to the Town's water, and would pay for it. Mr. Garrett answered that was correct. Mr. Wilson also wanted to confirm that Stone Creek was responsible for construction of additional water storage, according to Town resolutions. Mr. Garrett answered affirmatively. Mr. Wilson then asked where the construction would be located. Buzz Walker, Public Works Director, stated that it was tentatively planned for the northeast corner of the airport runway. Mr. Wilson asked if Stone Creek would also be responsible for electrical Discussion - C. Wilson

power to the pump. Mr. Walker answered affirmatively. It would be 3-phase power.

Mr. Wilson felt that it was premature to give final approval of the plat prior to those items being constructed or, at least, placing it in an escrow account similar to that of the subdivision improvement project. Mr. Garrett said that the cost of those improvements would be included in their assurance agreement with the subdivision. Mr. Wilson asked what the final assurance would be. Mr. Garrett stated that there were various forms of assurances that the Town would accept; an escrow account, a letter of credit, a bond, cash, a guaranteed loan, etc.

Mr. Wilson stated that there was only a 15-foot easement for ingress and egress to the wellsite, and asked if that was adequate. Mr. Garrett answered stated that once the improvement plans were received, staff would be able to determine that. At the time, there was some concern especially at the corners, which would have to be resolved before approval of the plan. On the straight stretches, Mr. Garrett said that 15 feet was adequate.

Mr. Wilson said that he had seen an interdepartment memo to Mr. Walker and others regarding the water quality of the well. He said that it stated that the water quality from the well was acceptable with the following exception: the inorganic chemical, thallium, was detected at the maximum contaminant level established by the EPA. He wanted to know what the chemical was and its detrimental effect. Mr. Walker stated that there was no thallium. He went on to explain when taking water samples it was often that one got a false positive reading. Two samples had been taken. Mr. Wilson felt that three samples would be more prudent. Mr. Walker explained that the first sample was taken without proper procedures, and the second was taken by a certified sampler with certified results.

Mr. Wilson asked whose responsibility it was to give easements or rights-of-way for the water line and power to the pump. Mr. Walker said that traditionally it was the responsibility of the person required to develop the facilities for subdivision. Mr. Wilson said that he interpreted Ordinances 274, 480 and 481 to be the developer. Mr. Walker stated that was correct. Mr. Underkofler asked what the procedure would be if, for example, property owners demanded unreasonable

compensation for an easement. Mr. Walker stated that the question would be deferred to the Town Attorney, however, he was of the opinion that if it was for the town benefit, then the Town would intervene at that time. Mr. Streichman stated that at the time the access to the well would not be an insurmountable obstacle to finishing the project. How it would be surmounted, if there was a problem in the future, was not yet known, but might involve Town participation. The Town could condemn property.

A Mayor Stiffler asked why Mr. Walker overrode the original recommendation of 180 gallons per minute to 200 gallons per minute. Mr. Walker stated that the recommendation from the Water Department was never for 180 gallons per minute. Mr. Walker explained how the 180 gallons per minute was arrived at by Mike Ploughe of the Water Department. There had been two different technical submissions from the applicant which cleared up the technical questions, and allowed the Town to rate the well at 200 gallons per minute. Council had copies of those prior to the meeting.

Explanation of  
200 Gallons Per  
Minute

B Clmn. Monschein moved to approve the Final Subdivision Plat for the ~~Stone Creek~~ Subdivision, seconded by Clmn. Schum. Mr. Underkofler stated that there was also a condition imposed and believed Council needed to make a ratification of the finding and incorporate it within the resolution and motion. Clmn. Monschein added to the motion, and to accept the document dated March 26, 1998, to Mr. Chuck Dickens P.G., signed by Colin Walker at 200 gallons per minute. Clmn. Schum seconded. Mr. Garrett asked if there needed to be an addendum adding the stipulation of completing the well design plan. Clmn. Monschein added to the motion, contingent upon final approval by the Payson Public Works Department of the well and water line plans to connect the new well into the system. Clmn. Schum seconded. Mayor Stiffler restated the motion: to approve the final plat of the ~~Stone Creek~~ development with two amendments, one being the 200 gallon per minute letter, and the other the well and water line plans to connect the new well must be approved by the Public Works Director. There being no further discussion, motion carried, 7-0.

F i n a l  
Subdivision  
P{lat for Stone  
Creek with  
Conditions  
APPROVED, 7-0

C Clmn. Monschein asked Mr. Walker if the well could be increased in the future to produce more water. Mr. Walker stated that it could not at the current time.

D Resolution No. 1266. Mayor Stiffler opened for discussion/possible action concerning Resolution No.

Res. #1266 -  
~~Stone~~ ~~Creek~~

containing the unofficial election materials, other than the ballots, for their perusal. Councilmember Monschein moved, seconded by Councilmember Schum, to canvass the votes for the May 19, 1998, General Election and to find that the results are as shown in that document entitled Cumulative Report - Four Precincts Processed May 19, 1998, and the attached notes and to accept the same as the Official Canvass and Official Results of the May 19, 1998 General Election; motion carried 6-0.

Election

A **Resolution No. 1281**, captioned as follows: A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, ADOPTING THE RESULTS OF THE GENERAL ELECTION HELD ON MAY 19, 1998, AND DECLARING ELECTED THE PERSONS RECEIVING THE HIGHEST NUMBER OF VOTES, was passed and adopted by a motion duly made by Councilmember Schum, seconded by Councilmember Monschein, and carried 6-0.

Resolution 1281 adopting the results of General Election

B Mayor Stiffler opened discussion for **Resolution No. 1283**, captioned as follows: A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT TO CONSTRUCT SUBDIVISION IMPROVEMENTS AND A WATER DEVELOPMENT AGREEMENT FOR ~~STONE CREEK~~ SUBDIVISION.

Resolution No. 1283 ~~Stone Creek~~ Water Development Agreement

C Attorney Streichman explained the exhibits attached to Resolution No. 1283. Exhibit "A" being an agreement to construct subdivision improvements, and, Exhibit "B" being a Water Development Agreement. Mr. Streichman further explained that Exhibit "B" still required some editing before all parties could be in agreement. Councilmember Monschein moved, seconded by Councilmember Brewer, to pass and adopt Resolution No. 1283, approving Exhibit A, but remanding Exhibit B back to the attorney, and back to the council at the next regular council meeting; motioned carried 6-0.

Res. 1283 approved, but Exhibit "B" remanded back to Atty.

D The Clerk asked to return to the discussion of the motion, pointing out that by requiring it return to the next agenda, meant that technically, it should be ready by the following day, in order to appear on the next agenda. Mr. Streichman said that he would bring something back to council, but it might not be agreed upon by all parties. There appeared to be a consensus of agreement that it would return if possible.

Discussion re motion

E **Resolution No. 1284**. Council approved, on the Consent Agenda, Resolution No. 1284, captioned as follows: A

Res. 1284

and that the Department of Environmental Quality (DEQ) would not release the property. She had discovered the person in charge of the building was a gentleman by the name of Rick Schreiber. The Mayor said that the Town Manager could follow-up on the questions. Ms. Craig then gave the name and phone number to Mr. Underkofler.

Mr. Bob McQueen, local realtor, then advised Council that he had been working with Mr. Schreiber, and was anticipating a release from DEQ hopefully within 30 days. Mr. McQueen had a lessee for the building.

- A Mr. Rick ~~Gray~~ 1040 E. Bridle Path Lane, then addressed council regarding a request he had submitted to the Agenda Preparation Committee to be placed on the agenda. He was seeking three councilmembers to sponsor his request in order that he may be afforded the opportunity for the full council to consider his request to receive a letter of assurance from the Town regarding impact fees should the Stone Creek Well adversely impact his personal well. His request had previously been denied by both staff and the Mayor.

Public Comments Continued  
Rick ~~Gray~~ private well potential impact by Stone Creek Well
- B **Giant Liquor License.** Mayor Stiffler opened the public hearing concerning a Liquor License application for a Series 10, Beer and Wine Store (new), filed by Carlos Antonio Guerra, dba: Giant Industries Arizona, Inc., an Arizona Corporation, Giant Store #920, located at 804 S. Beeline Highway in Payson, Arizona 85541. The Mayor opened the public hearing. Hearing no comments, the public hearing was closed and Councilmember Monschein moved, seconded by Councilmember Murphy, to approve the liquor license application filed by Giant Industries Arizona, Inc.; motion carried 6-0-1 with Mayor Stiffler abstaining.

Giant Liquor License Approved  
Mayor Stiffler abstained
- C **Sesame Inn Liquor License.** Mayor Stiffler opened the public hearing concerning a Liquor License application for a Series 12, Restaurant (new) all liquor, filed by Wen Chian Yang, dba Sesame Inn Payson, Inc., located at 205 E. Highway 260, Suite A-1, Payson, Arizona 85541. The Mayor opened the public hearing to which he heard neither comment nor objections. The hearing was closed and Vice Mayor Schum moved, seconded by Councilmember Murphy, to approve the application for a Series 12, Restaurant, liquor license, as filed by Wen Chian Yang, dba: Sesame Inn Payson; motion carried 6-0-1 with Mayor Stiffler abstaining.

Sesame Inn Liquor License Approved  
Mayor Stiffler Abstained
- D **Payson Pro Rodeo Committee Liquor License.** Mayor Stiffler opened the public hearing concerning an application filed by the Payson Pro Rodeo Committee for

Payson Pro Rodeo Liquor License

- A **Parks and Recreation Board.** Council received for information, on the Consent Agenda, the minutes of the following meeting:  
 . 04-21-98 Regular Mtg. Page Nos. 0082-0084

Parks & Rec  
 M i n u t e s  
 \*CONSENT\*

**PETITIONS; HEARINGS; APPEALS; PUBLIC COMMENTS**

- B **Public Comments.** Shirley Mcquiry, 919 W. Greenview Rd. talked about patriotism. She thanked the council for honoring God and country at the beginning of each council meeting. She requested that a patriotic song occasionally be a part of the opening ceremony.

Public Comments  
 - Shirley  
 Mcquiry

- C Carol Michealis, 202 N. Whiting, thanked the council and the Fire Department for continuing the service of unlocking vehicles for people who lock their keys in their vehicles.

Public Comments  
 - C a r o l  
 Michealis

- D **Appeal.** Mayor Stiffler opened for discussion/possible action regarding an appeal by Richard [redacted] of the Mayor's determination regarding [redacted] request for the Water Department to waive water development impact fees and connection charges for property owners with private wells which may be impacted by operation of a well being developed by Stone Creek LLC for dedication to the town.

[redacted] Appeal

- E Richard [redacted], 1040 W. Bridle Path Ln, addressed the council regarding his concerns with impact fees and connection fees if and when his private well should be affected by operation of a well being developed by Stone Creek LLC within 20 ft. of his property.

Richard [redacted] -  
 Appeal

- F Clmn. Herron commented that if they were to waive impact fees for Mr. [redacted], they would receive claims from other residents living in the same area. He moved to take no action at this time, and if the occasion should arise, the council would at that time take action. Clmn. Monschein and Clmn. Brewer both agreed with Clmn. Herron's comments. Clmn. Herron moved to take no action at this time, **seconded** by Clmn. Monschein. **Motion carried 4-2** Clmns. Brewer and Murphy dissented.

Richard [redacted] -  
 Appeal - **Motion  
 carried 4-2,**  
 Clmns. Brewer &  
 M u r p h y  
 dissented

- G **Application P-240-98.** Clmn. Murphy moved, **seconded** by Clmn. Herron, to remove from the table of the May 14, 1998 regular council meeting Application P-240-98. **Motion carried 6-0.**

P - 2 4 0 - 9 8  
 Removed from  
 Table - **Motion  
 carried 6-0**

- H **Application P-240-98 Public Hearing.** Mayor Stiffler opened the public hearing concerning Application P-240-

P-240-98 Public  
 Hearing -

OF PAYSON, ARIZONA, ACCEPTING FROM STONE CREEK DEVELOPMENT L.L.C., A WELL SITE AS DESCRIBED IN THE WARRANTY DEED ATTACHED HERETO, MARKED EXHIBIT "A." Mayor Stiffler said that Council would handle Item D.1.c. (Resolution No. 1311) and Item E.2 (acceptance of the well site from Stone Creek) at the same time.

- A Rich ██████████ 1040 W. Bridle Path Lane, had concerns about the fences and road that had not yet been reconstructed; and, the reported contamination of the well issues. He said that he had spoken with two of his neighbors (Cal Wilson and Mr. Reisdorf), who shared his concerns. Rich ██████████ -  
Comments
- B LaRon Garrett, Public Works Engineer addressed Mr. ██████████ comments. He stated that he and Clmn. Spencer had visited the site in question and both felt the road was in good condition. As to the contamination issue, that was why Item No. E.2 had been removed from the Consent Agenda. There had been contamination in the water line (not the well), which was not uncommon during the first line test, and therefore staff was recommending acceptance conditioned upon acceptable testing indicating no bacteria in the line. LaRon Garrett -  
Comments
- C Mrs. Leslie Reisdorf speaking on behalf of her husband and herself, expressed concerns because the road had not been taken care of properly; there had been drainage ditches in place prior to construction and the road had been very reasonable. However, since Stone Creek had begun construction, the road had been torn up and the six inches of granite (they had brought in) was now not in the same condition. They were concerned that it would not be rectified if the Town accepted the well prior to the road being fixed. Leslie Reisdorf  
- Comments
- D Clmn. Spencer said that although he felt the road was not in that bad of shape, there did need to be some clean-up, especially in the area that the APS crew had made a big mess (which he would take care of). He said that he would like to hear from Mr. Hellman regarding his intentions to repair the road. Clmn. Spencer -  
Comments
- E Mr. Hellman said that Stone Creek had previously had discussions with both Mr. ██████████ and Mr. Wilson relative to the final grading on the road. The road was not a paved road, it was a granite road and now that the water line and the well was in, Stone Creek wanted to get through the last test to make sure they would not have to replace or repair anything in the water line prior to putting a blade on the road. They felt it Mr. Hellman -  
Comments

only made sense to make sure they were finished with construction prior to blading the road. The property owners had been told that the road would be bladed. Prior to their construction, the road was full of pot holes and run-off ditches and Mr. Hellman said that right now, in his opinion, the road was in as good or better shape than it had been pre-construction.

- A Mr. Hellman pointed out that the water tests of the production well had all passed and the one that did not was strictly the chlorination test on the water line. Since then the line had been flushed and re-chlorinated, that process would be repeated again, and then they would retest on Monday and Tuesday (August 24 and 25). Mr. Hellman said that as soon as this process was finished they would put a final blade on the road. He pointed out that he owned two and a half acres at the end of the road and, therefore, he was certainly motivated to make sure there was good access into his property. Mr. Hellman - Comments
- B Clmn. Herron asked Mr. Hellman if he could give a promise (in public) as to how soon after they were sure that the lines were correct, etc., that the road would be bladed and put back in shape. Mr. Hellman responded, "immediately, because our contractor has to do that in order for him to get paid, and, we have to provide you with a lien release in order for you to accept the dedication of the well, so it's not something that I even have the ability to put off." Clmn. Herron - Comments
- C Clmn. Brewer asked Mr. Hellman if that was part of the road that Mr. Heemstra paved or bladed.... Mr. Hellman said that he would think that the portion of the road that the Reisdorf's would be concerned about (and he had not heard from the Reisdorf's relative to that issue and therefore had not been aware that they were upset) was that portion of the road that lies on their property, and he would imagine that Rick Croy would be concerned about the same portion of the road, because the road that Mr. Heemstra put in ( on the south and west sides of Rich Croy's property) are utilized only for access in and out of Stone Creek's property. Clmn. Brewer - Comments
- D Mayor Stiffler suggested that a condition be placed on Resolution 1311 that the road will be bladed and brought up to such condition as approved by the Public Works Engineer. Mayor Stiffler - Comments
- E Clmn. Monschein **moved, seconded** by Clmn. Brewer, to approve Resolution No. 1311, with the conditions that

Stone Creek L.L.C. shall meet all of the commitments (that they promised) in their well site to the Town of Payson and will be approved by the Public Works Engineer.

A Mayor Stiffler stated that it had been moved and seconded to approve Resolution No. 1311 with the condition of the road being approved by the Town Engineer. He asked for any further discussion, there being none, the question was called and the vote taken; **Motion carried 7-0.**

**Motion carried 7-0**

B **Stone Creek Well.** (taken out of agenda sequence). Council had removed (from the consent agenda) a Council Decision Request filed by LaRon Garrett, Public Works engineer, to approve the well and connecting water line improvements for the Stone Creek Well and accept them into the Town of Payson system for general maintenance. Mr. LaRon Garrett explained that it was the water line going from the well to the Town's system, not the well itself, that had shown contamination and recommended Council approval subject to getting acceptable bacteria test results. Clmn. Murphy moved, seconded by Clmn. Monschein, to approve the well and connecting water line improvements for the Stone Creek Well and accept them into the Town of Payson system for general maintenance, conditioned on acceptable testing; **Motion carried 7-0.**

Stone Creek Well - **Motion carried 7-0**

**UNFINISHED BUSINESS**

C **Tabled Item RE: Airport Storage Tanks.** Clmn. Murphy moved, seconded by Clmn. Brewer, to remove the Item regarding the Airport Storage Tanks from the table of August 13, 1998; **Motion carried 7-0.**

CDR: Removed from Table - **Motion carried 7-0**

D **EnecoTech Contract.** The Council Decision Request was for authorization to utilize the State of Arizona Contract, which had been solicited for the type of work that would best suit the needs of the various governmental entities for the removal of the underground fuel storage tanks in the state. EnecoTech Southwest had met all the guidelines pertaining to the mitigation of Underground Storage Tanks (USTs) that were required by the Arizona Department of Environmental Quality.

CDR: EnecoTech Contract for Removal of Underground Storage Tank

E Robert Olsson, Transportation Administrator explained that the temporary storage tanks for the short period of time needed would be very costly. EnecoTech had

Robert Olsson - Comments -

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- A Clmn. Monschein asked how the Town could prevent people from having alcohol at the parks since the Town could not issue a special event liquor license under the state statute. Mr. Streichman told Clmn. Monschein that the State could issue a special event liquor license, but the town in return could prohibit alcohol at the town parks. Mayor Stiffler closed the Public Hearing. Clmn. Monschein – Mr. Streichman  
Public Hearing Closed

**UNFINISHED BUSINESS**

- B **Stone Creek.** Council Decision Request filed by LaRon Garrett, Public Works Engineer, to approve the public improvements in the Stone Creek Subdivision, Construction Phase One, and to accept those improvements for Town maintenance. CDR: Stone Creek Subdivision Phase one
- C Clmn. Schum moved, seconded by Clmn. Brewer to approve the public improvements in the Stone Creek Subdivision, Construction Phase One, and to accept these improvements for Town maintenance. Motion to Accept Subdivision Improvements - Stone Creek
- D Ruby Finney, 820 W. Longhorn, had concerns about the town having to be responsible for correction that might be needed. LaRon Garrett, Town Engineer, advised Ms. Finney that the developer would be responsible for any corrections that might be needed. Ms. Finney then talked about a meeting held in February of 1997 where this issue was discussed and the Town's planning commissioners had concerns about the drainage problems. She said that at that time Mr. Garrett addressed the Council by stating that there was no problem that had not been taken care of. She was concerned about the lack of drop inlets to runoff channels, which she felt should be corrected. She had been told by Mr. Hellman, the developer, that he had built it exactly the way the Town told him to. R. Finney – Drainage Problems
- Mr. Garrett said it was built in accordance with the approved plans. Ms. Finney felt there should have been a drop inlet.
- E Mr. Garrett said he believed there were four locations where water went into the drainage channel along Longhorn Road. He also said the code was written to require the design to a 10-year frequency storm. There had been three storms this summer that were somewhere in the 50- to 100-year range. 10-year Storms
- F Clmn. Herron thought the Town should require that water drainage from a subdivision go into a drainage ditch instead of into a street. Mr. Underkofler stated that the town's code currently required a design Clmn. Herron Concerns

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standard for a 10-year frequency storm. When a storm was greater than a 10-year storm, it would be stored on the street. He continued that the topic was being addressed in the Town's Drainage Master Plan. There was some discussion regarding 10-, 50- and 100-year storms.

- A Clmn. Herron expressed his concern about the deep cut on the subdivision. He had seen where concrete had been poured, however, thought it was too little concrete. He was also concerned about the space between the property lines of those who would live on top of the hill and where the cut was made, which he felt was dangerous. Someone could slip off the hill, he thought. Deep Cut
- B Mr. Garrett responded that there was a substantial amount of concrete to hold the hill in place and divert the water to go around the sides where there was more vegetation. Clmn. Herron asked if the developer wanted to state how much concrete. Mr. Shawn Patterson, Stone Creek developer, answered that the concrete was 18" deep until they hit bedrock. Three feet of concrete in areas where there was no bedrock. Approximately 10 yards were poured around Lot 114, with some of it covered by natural decomposed granite to make the area look as natural as possible. Amount of Concrete
- C There was discussion concerning the landscaping, which would be done by each lot owner. Mr. Hellman assured Council that his development met all the Town's requirements and they intended on building a beautiful subdivision. He also stated that a few years ago when they came to the town with this subdivision, it was not a requirement to provide a comprehensive grading and drainage plan. He said that the Town staff had informed them that they were one of the first to bring forth that type of design. All of their engineering was designed from one-foot contours, based on their aerial surveys. They had gone beyond what was required by adding the concrete wall on the back of the property, in that they designed the wall so that it would be unobtrusive. Landscaping – Grading and Drainage
- D Answering Clmn. Herron's query, Mr. Hellman said that the concept was to build the home on the lower pad, then they would cut in a retaining wall. Once the retaining wall was built, the earth would be pulled down, and additional earth added to build a bed behind the retaining wall. Then they would go up another course and build another retaining wall, and so forth. This would be part of the lot plans when they came in for their building permits. He assured Council that the subdivision would be beautiful once completed, and said they would not just walk away after Phase I improvements were accepted. They had no intention of leaving a lot bare; they had an enormous investment in the Commitment to Subdivision Beautification

development. He also did not see a drainage problem in street areas in Phase I.

- A Helen Axelson, resident adjacent to ~~Stone Creek~~ expressed her concern that developers did not have to keep their word. She was displeased with the looks of ~~Stone Creek~~ H. Axelson  
Displeased with Site
- B Mayor Stiffler called for a vote on the motion; **motion carried, 5-1.** Clmn. Herron dissented. Motion  
CARRIED 5-1
- C **Recess/Reconvene.** The meeting recessed at 7:03 p.m. and reconvened at 7:15 p.m. with all Council Members present, except Clmn. Spencer. Recess  
Reconvene

#### NEW BUSINESS

- D **Business License Regulations.** Clmn. Monschein moved, seconded by Clmn. Schum to approve a Council Decision Request filed by Robert Gould, Community Development Director, to direct the Town Attorney to prepare an ordinance to amend Section 8-1 of the Town Code pertaining to the Business License regulations for Council consideration. Motion to  
Direct Atty. To  
Prepare Ord.  
RE Business  
License Regs.
- E Mr. Gould stated that the Development Services Committee had been taking a look at the business license process in an effort to streamline the process of obtaining a business license. They used comparisons of other communities. The Town processed an average of 245 applications per year. In 1998 revenues were approximately \$39,000 and expenses for staff time and services was \$50,000. In comparing the Town with 16 other communities, the Town's fee charge was average, \$50 for initial license and \$30 for yearly renewal. They also looked at the liquor license process and the time it took to process business licenses, which averaged 6 to 10 days. He said the point was that there were many businesses that had to go through a long process of a few months to a year or so before being issued a license. There was a need to shorten the review time process and make it consistent. Comparison  
with Other  
Communities
- F Mr. Gould continued that one of the seven staff recommendations was to provide over-the-counter business licenses for the most part. He said that at the current time the process did two things: 1) it served as a Staff  
Recommendati  
ons