

TOWN OF PRESCOTT VALLEY
STREETS & INFRASTRUCTURE
COMMITTEE

FINAL REPORT &
RECOMMENDATIONS

TO

TOWN COUNCIL

JUNE, 2002

STREETS & INFRASTRUCTURE COMMITTEE MEMBERS

**Tiffany & Richard Andrada
Lloyd Avery
Lisa Bergman
Norm Brown
Linda Bruner
Lloyd Caudle
Cliff Chamberlain
Dorothy Collins
Ernie Del Rio
Lori Deutsch
Joseph Dixon
Bob Edwards
John Egge
Ron Fain
Philip Fesmire
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Carl Goeke
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Dennis Holmquist
Ken Hougland
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MaryAnn Joseph
Pat Kelly
Judy Kemp**

**Judy Killingsworth
Jean Knight
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Gary Marks
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Lora Nye
Robert Ott
Frank Rambolt
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Mel Schmal
Joe Scott
Brandon Shoults
Denny Sullivan
Charles Thomas
James H. Walpole, Jr.
A.J. Wilcox**

TOWN OF PRESCOTT VALLEY STREETS & INFRASTRUCTURE COMMITTEE FINAL REPORT TO TOWN COUNCIL

EXECUTIVE SUMMARY

Based upon a citizen survey and reports of citizen concern over roadway safety and drainage, the Town Council directed staff to invite Town citizens to form a committee to make recommendations to the Council on how to best fund improvements to Town streets. The Committee began with nearly 70 participants and ended with a typical attendance of approximately 25. The Committee received presentations on the 2020 General Plan, street cross sections, typical right-of-way improvements, drainage, and construction funding. Committee members met in small groups to discuss these issues and contacted friends and neighbors for their input. The Committee had a total of 8 meetings which were recorded and broadcast on Channel 13 to maximize community information on the project.

Subsequent to discussion, the Committee voted on key points by “show of hands” or placement of “dots” on wall charts. The points of formal agreement established by a vote of Committee members are underlined within the main report. Not all issues received a strong majority vote. For this reason, it was agreed that the report to the Town Council should include a minority opinion.

The Committee majority makes the following recommendations to the Town Council:

- A. Adopt the findings of the Streets & Infrastructure Committee.
- B. Prioritize the construction of Arterial/Collector streets beginning with Robert Rd., Navajo Dr., and Lakeshore Dr. as described in the Committee report. Prioritization of the remaining Arterial/Collector streets should be made and reviewed periodically.
- C. Refine the estimates of construction cost for the top priority streets.
- D. Initiate an election to approve funding of the priority streets improvements through a combination of “pay as you go” and debt financing. These three roadways should be constructed as rapidly as funding allows.
- E. Repay the debt financing using a combination of existing funding sources and either a one-third cent (1/3 ¢) Transaction Privilege (Sales) Tax increase, or an Ad Valorem (Property) Tax at eighty five cents (\$0.85) per \$100 of secondary assessed valuation or both. In either case, the new funding should carry “sunset” provisions to assure the public that only the portion needed for priority street construction will be collected.
- F. Structure the ballot question to allow approval of either the Transaction Privilege (Sales) Tax or the Ad Valorem (Property) Tax, or both. It is noted that, if only one of the two funding mechanisms is approved by the public vote, the time period to complete the priority streets will be extended to fifteen years or more.
- G. Provide a mechanism by which residential street improvements may be funded and constructed in neighborhood blocks using Improvement Districts or similar localized, benefit-based methods as approved by the neighborhood.

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H. All improvement projects need to include all needed drainage and consider multi-modal facilities.

I. Improved streets should include multi-modal (pedestrian/bicycle) uses where possible.

J. A high priority needs to be placed upon funding of safety enhancements and providing access to schools and parks using sources other than those designated for priority street improvements.

K. A priority needs to be placed upon funding of major drainage improvements using sources other than those designated for priority street improvements.

Various Committee Minorities make the following recommendations to the Town Council (note that, in some cases, the recommendations are mutually exclusive):

A. Fund new street improvements on a “Pay as You Go” basis, using new funding sources without bonding.

B. Utilize a higher level combination of Transaction Privilege (Sales) and Ad Valorem (Property) Taxes to allow earlier completion of the priority improvements.

C. Utilize existing Town “reserve funds”, off sets from previous subsidies of the sewer plant, and other existing funding sources only.

D. In no event consider adoption of an Ad Valorem (Property) Tax.

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I. **History:** The Town of Prescott Valley conducted Citizen Surveys during March of 2001 and November of 2002. Both surveys showed strong support for improvement of Town roadways beyond the current level of chip seal surface and roadside ditches. These survey results were reinforced by Town staff reports of frequent requests from citizens for roadway drainage and safety improvements and requests for sidewalks. In an effort to respond to these interests, the Town Council directed staff to invite citizens to form a committee to study the street improvement issues and make recommendations. The Committee was open to all interested citizens of the Town and the first meeting had nearly 70 participants. Attendance at subsequent meetings varied from 20 to 40 participants.

Committee members were provided with information before the first meeting including a Problem Statement, Suggested Goals, Meeting Schedule, and Anticipated Discussion Topics for each meeting. The Committee was provided with technical information on and received presentations from Town Staff and consultants regarding roadway design elements, traffic, drainage, pedestrian facilities, bikeways, trails, and how improvements are funded. During meetings, the Committee was broken into small groups to discuss the issues presented. Committee members were also encouraged to discuss these issues with their friends and neighbors and bring comments back to the Committee meetings for discussion so that community involvement would be as broad as possible. A total of eight meetings were held in the Prescott Valley Town Council Chambers. The meetings were also recorded and broadcast on the Town Access Television, Channel 13 to maximize community exposure to the process.

Committee members discussed the issues presented during the meetings and were asked to vote on the issues and bullet points at various points in the process. Voting was accomplished by a “show of hands” when issues were in the form of a choice between two to three alternatives or as an affirmation of discussion. Voting by placement of “dots” on wall-hung charts or tables was used when multiple choices were involved.

Not all issues received a strong majority vote. For this reason, it was agreed that this report to the Town Council should include a minority opinion to reflect a lack of consensus on some points. The minority opinions are included in each section below.

II. Design Elements and Standards:

A. **Alternative Design Issues & Elements Considered:** Committee members were presented with diagrams showing what is included in the typical street cross section and how the public right-of-way is used. The differences between residential and Arterial/Collector roadways were delineated and maps showing these roadway classes and available rights-of-way were presented. Some of the competing demands for space within the public right-of-way were discussed. These include vehicular, bicycle, and pedestrian traffic; above-ground and/or underground utilities; and drainage facilities. Other elements typically included in the right-of-way are curbs, sidewalks, and streetlights. The Committee received information about the Transportation Element

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of the 2020 General Plan including recommendations for future improvements and uses of the right-of-way to accomplish the Transportation Goals of the Community. The General Plan was adopted by the voters during the period of the Committee's meeting schedule. The Committee agreed that one of its goals and duties is to help the Town Council implement the 2020 General Plan. The cross sections presented to the Committee are attached. Residential street cross sections are usually 2 lanes of varying width depending upon whether or not parking is allowed. The residential cross sections can also include curbs and sidewalks. Arterial/Collector cross-sections vary from 3 to 5 lanes depending upon traffic volume. They typically include curbs and sidewalks and may include bicycle lanes and/or trails depending upon the available right-of-way. Committee members met in small groups to discuss the design elements and the General Plan. They presented the results of their discussions to the whole Committee. At subsequent meetings, some members reported upon discussions with their friends and neighbors.

B. Recommended Design Elements and Standards: Committee discussion of these elements resulted in several points of agreement and some disagreement on the level of improvements wanted for Town streets. One point of agreement was that all improvement projects should include all needed drainage and pedestrian/bicycle improvements.

1. It was generally agreed that Arterial/Collector streets need to be improved to a level which includes adequate Asphalt Concrete and Aggregate Base Course (AC & ABC) pavement thickness to carry the traffic loads, curbs to control traffic and drainage, and sidewalks for pedestrians. It was also agreed that facilities for bicycles need to be provided where possible and that street lights should be installed at major intersections and where children are likely to cross near parks and schools. The Committee also agreed that streets should be pedestrian and bicycle friendly. Spouse Dr. between Lone Cactus Dr. and Ranger Rd. was one example of a street which may function well as a three lane street with bicycle lanes as opposed to a four lane street which may carry more vehicles at higher speeds.

2. Agreement was not universal on the desired improvements to residential streets. Some members of the Committee felt strongly that residential areas should be improved to include curbs and sidewalks for the safety of pedestrians; especially children. Others expressed the desire that the residential areas maintain their current "rural" feel with roadside ditches. Most agreed that streetlights should only be used at major intersections in residential areas. Concern for funding of residential street improvements, as described below, limited the discussion on residential street improvements.

III. Construction Priorities:

A. Items Considered to Establish Construction Priorities: Staff presentations and Committee discussion noted that growth in vehicular and pedestrian/bicycle traffic shows no sign of declining. This amplifies the need for improvements to the Town's streets. Early in the discussion of the desired level of street improvements, Committee members focused upon the cost of improvements and available funds.

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1. Current funding sources utilized by the Town for street improvements include Highway Users Revenue Funds (HURF) {distributed by the state from Gasoline and other tax sources}, Local Transportation Assistance Funds (LTAF) {distributed by the state from Lottery earnings}, and the Circulation System (Impact) Fee {collected by the Town}. Current year amounts from these sources total approximately \$2.6 Million and operation and maintenance and sinking (reserve) fund expenditure commitments total approximately \$2.1 Million. This leaves approximately \$500,000 for street improvement projects. The Town has, in the past, contributed up to \$1.0 Million from the General Fund to augment street project needs. The Town Manager cautioned the Committee that use of this General Fund contribution may not be possible in the future.

2. When presented with potential costs to improve selected Arterial/Collector streets, which averaged nearly \$3 Million per mile, Committee members agreed that Arterial/Collector Streets should receive priority over residential streets.

B. Recommended Construction Priorities: The Committee was presented a list of 18 Arterial/Collector streets and asked to prioritize their need for improvement. The top five priority streets ranked by the Committee coincided with the staff's ranking based upon traffic flow. In order of priority, these streets are Robert Rd. (Yavapai Rd. to Roundup Dr.), Navajo Dr. (SR69 to Lakeshore Dr.), Lakeshore Dr. (Glassford Hill Rd. to new Fain Rd.), Viewpoint Dr. (Civic Cr. to SR89A), and Florentine Rd. (Pine View Dr. to Valley Rd.). These priority streets (as shown on the attached map) were used as a basis for discussion of alternative means of funding needed street improvements. It was agreed that as funding becomes available, additional Arterial/Collector streets should be constructed. The priority of construction should be based upon traffic volumes, circulation and traffic safety as determined by the Town Council.

IV. Streets & Infrastructure Funding:

A. Funding Alternatives Considered: Arterial/Collector streets were prioritized and budget estimates for their construction were reviewed. As noted earlier, existing Town funding sources are not adequate and additional sources of funding need to be found. The Committee was presented with three basic scenarios for construction of the three highest priority Arterial/Collector streets (Robert Rd., Navajo Dr. & Lakeshore Dr.). These three streets have a combined budget of approximately \$25 Million in 2002 dollars. Three alternatives considered for these three projects include "Pay as You Go", "Accumulate Funds", and "Debt Finance" construction. The relative merits and problems of each alternative were reviewed and discussed. It is noted that Pay as You Go funding would take 15 years at an annual funding rate of \$2.35 Million. Accumulation Prior to Construction over 15 years would require annual funding in the amount of \$2.1 Million. Debt Financing of the projects could be repaid over 15 years with annual funding of \$2.56 Million. The primary benefit of debt financing is full use of the project during the 15-year payoff period. It was agreed by the majority that a combination of "pay as you go" and debt financing should be used to construct the top three Arterial/Collector streets with a total cost of \$25 Million. These three roadways should be constructed as rapidly as

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funding allows. It is noted that a minority of the Committee felt that debt financing should not be used.

B. Recommended Funding Mechanisms: Approximately \$2.1 Million in annual revenue would be needed to add to the \$500,000 available from existing sources to fund the annual debt service to construct the top three priority streets. The Committee was presented with alternative means of meeting these funding needs. Potential sources include an increase in the Town's Transaction Privilege Tax, a new Flat Monthly Fee per Structure, an Ad Valorem (Property) Tax, a Storm Drainage Utility Fee, a Rental Tax (2%), and a 1% increase in the Franchise Fee. Projected income levels from each of these sources were presented and the alternatives were discussed at length. It was agreed that a Storm Drainage Fee should not be used for street projects but should be held in reserve for possible use on drainage projects being identified by the Town Wide Drainage Study currently in progress. The Town attorney reviewed the Flat Monthly Fee per Structure and determined that the ultimate viability of this method would be in question and would certainly not be able to be used in debt financing because of that uncertainty. Once it was learned that a Flat Fee may not be viable, several votes were taken to establish an alternative funding formula. The Committee voted on several individual issues to allow a strong recommendation to the Council. The following is a summary of that vote:

1. The Committee Majority recommended that the Town Council develop a ballot question for the November General Election which would allow approval of either one or both of a Transaction Privilege (Sales) Tax increase and a new Ad Valorem (Property) Tax . {Vote: 22 for, 5 against}.
2. The Committee Majority recommends that the Town Council combine the approved new source(s) with the \$509,000 projected by staff to be available from HURF, LTAF, & Circulation System (Impact) Fees {Vote: 25 for, 3 against}
3. The Committee Majority voted as follows on three potential levels of Transaction Privilege (Sales) Tax increases to be placed upon the November ballot and designated for these projects:
 - a) One-half cent increase. { 7 for, 20 against}.
 - b) One-third cent increase. { 22 for, 7 against}.
 - c) One-quarter cent increase. { 3 for, 22 against}.
4. The Committee Majority voted as follows on inclusion of a new Ad Valorem (Property) Tax in the amount of \$0.85 per \$100.00 of secondary valuation on the November ballot {Vote: 17 for, 11 against}:

[Note: with respect to the last vote, considerable discussion occurred.] Significant concern was expressed about whether a new Ad Valorem (Property) Tax would be acceptable to the public and whether it would have a detrimental effect upon the attraction of new business to the Town. Some members were quite adamant in their opposition to an Ad Valorem (Property) Tax. Some even indicated that their vote in favor of placing the question of an Ad Valorem (Property) Tax on the ballot was intended to see the question go to defeat. At least one member felt that the Council should utilize

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existing “reserve funds”, off sets from previous subsidies of the sewer plant, and other existing funding sources only for all improvements.

Residential streets will likely need to be funded through the use of Improvement Districts or other benefit-based methods. The minimum area for residential street projects will need to be approximately one fourth of a Section (such as the Southwest $\frac{1}{4}$ of Unit 19) to ensure that drainage is properly dealt with and that the projects are of adequate size to absorb the administrative costs.

V. Recommended Council Action:

The Committee majority makes the following recommendations to the Town Council:

- A. Adopt the findings of the Streets & Infrastructure Committee.
- B. Prioritize the construction of Arterial/Collector streets beginning with Robert Rd., Navajo Dr., and Lakeshore Dr. as described in the Committee report. Prioritization of the remaining Arterial/Collector streets should be made and reviewed periodically.
- C. Refine the estimates of construction cost for the top priority streets.
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- E. Repay the debt financing using a combination of existing funding sources and either a one third cent (1/3¢) Transaction Privilege (Sales) Tax increase, or an Ad Valorem (Property) Tax at eighty-five cents (\$0.85) per \$100 of secondary assessed valuation or both. In either case, the new funding should carry “sunset” provisions to assure the public that only the portion needed for priority street construction will be collected.
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- G. Provide a mechanism by which residential street improvements may be funded and constructed in neighborhood blocks using Improvement Districts or similar localized, benefit-based methods as approved by the neighborhood.
- H. All improvement projects need to include all needed drainage and consider multi-modal facilities.
- I. Improved streets should include multi-modal (pedestrian/bicycle) use where possible.
- J. A high priority needs to be placed upon funding of safety enhancements and providing access to schools and parks using sources other than those designated for priority street improvements.
- K. A priority needs to be placed upon funding of major drainage improvements using sources other than those designated for priority street improvements.

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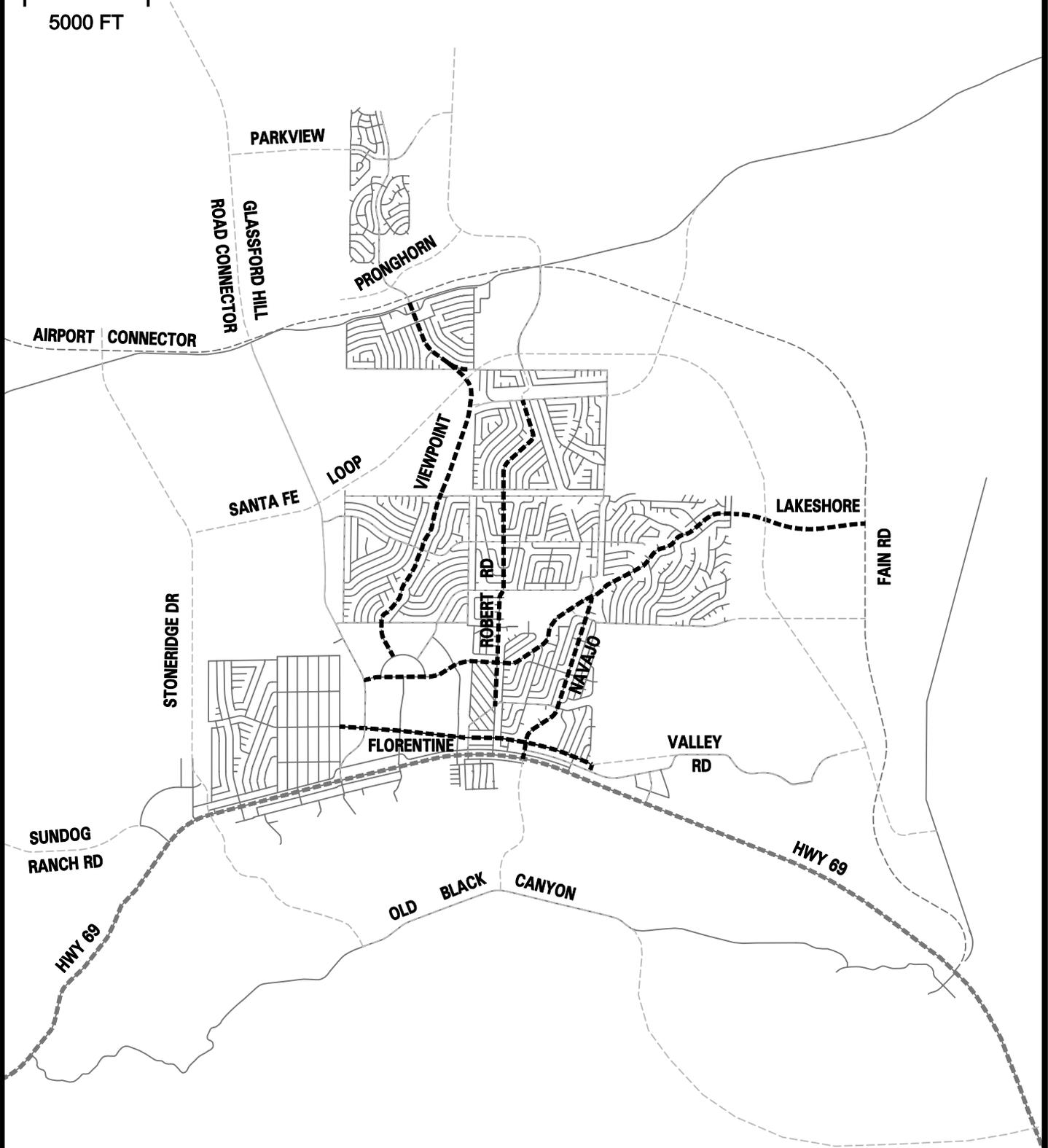
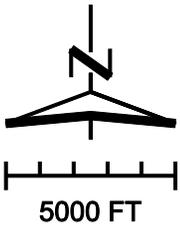
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APPENDICES

- Map showing Prescott Valley - Top 5 Priority Streets
- Spread Sheet of Revenue Source Options
- Top 3 Priority Streets Funding Worksheet
- Road Right Of Way Uses
- Residential Street Cross Sections
- Arterial Collector Cross Sections



PRESCOTT VALLEY TOP 5 PRIORITY STREETS

STREETS COMMITTEE

Top 3 Priority Streets Funding Worksheet

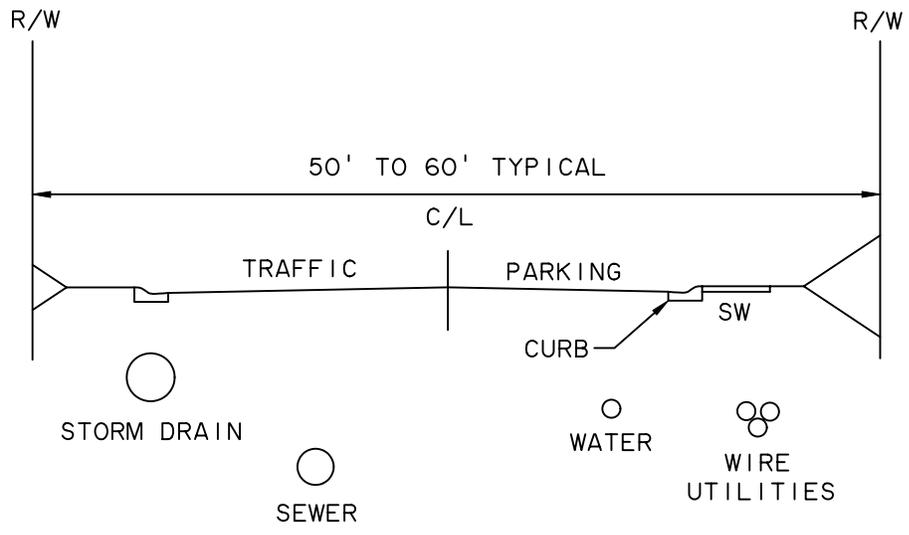
The Streets and Infrastructure Committee ranked the Arterial and Collector roadways and now know their anticipated cost, now here's your task. You need to come up with a way to fund the street improvements for the Top 3 Ranked Streets. Pick from among the funding options to come up with a yearly total of \$2,560,000 required to repay the debt within 15 years in addition to the \$1,895,000 required for O & M and existing commitments. Black boxes mean that the funding option can't be used in that way.

Note that the amount listed under each option is a maximum: you can have the option to raise a smaller amount of money. Once your finished, turn over the sheet and tell us your rationale and add any other comments you would like.

	Arterial/Collector Top 3 Priority St.	Operation and Maintenance	Reserve 5%
Target total = \$4,678,000 a year =	\$2.56M a year & 15 year payoff	\$ 1.895 M a year	\$223,000 a year
1. HURF \$2,027,170 annually			
2. LTAF \$133,997 annually			
3. Street Impact Fee's \$466,000 annually			
4. Sales Tax Increase (0.5%) \$1,244,862 annually			
5. Flat Fee: \$15 per Month per Occupied Structure \$2,160,000 annually			
6. Property Tax \$1.00 per \$100 Assessed Value \$1,055,008 annually			
7. Storm Drainage Fee \$2.00 per Month \$240,000 annually			
8. Rental Tax (2.0%) \$144,000 annually			
9. Franchise Fee 1.0% Increase \$226,244 annually			
10. Other? Amount?			
Your Total			

Note: General Fund Contribution not considered to allow for other projects or Town needs

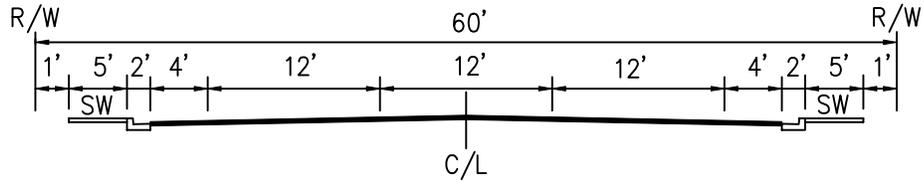
ROAD RIGHT OF WAY USES



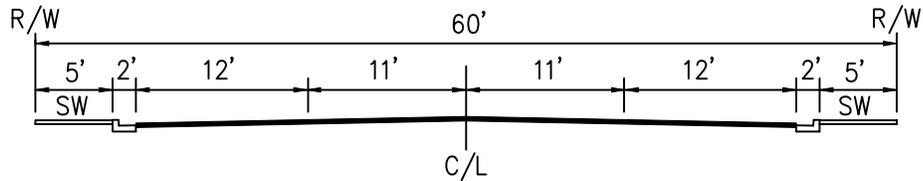
DAVA PLANNING ENGINEERING SURVEYING	310 E. Union Street Prescott, AZ 86303 928/778-7587	
	& ASSOCIATES, INC.	
CLIENT: PRESCOTT VALLEY	DATE: 17 JAN. 2002	
JOB: 374STRCM	DRAWN BY: PSJ	
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PRESCOTT VALLEY

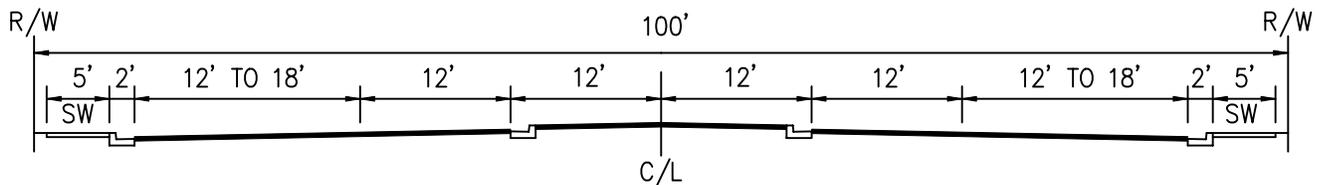
ARTERIAL COLLECTOR CROSS SECTIONS



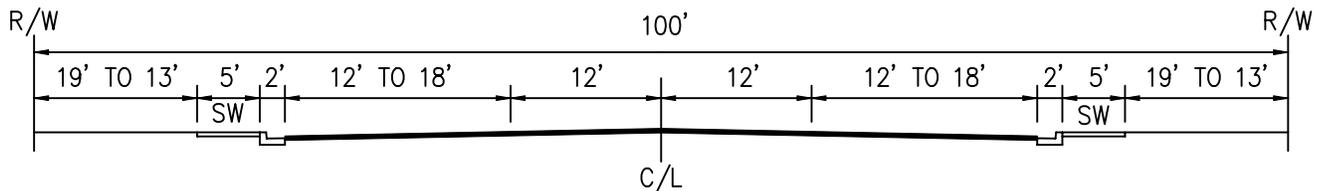
3 LANE ARTERIAL-COLLECTOR W/BIKE LANES- 60' R/W



4 LANE ARTERIAL-COLLECTOR W/WIDE OUTSIDE LANE- 60' R/W



4 LANE ARTERIAL - COLLECTOR - 100' R/W WITH MEDIAN



4 LANE ARTERIAL - COLLECTOR - 100' R/W W/O MEDIAN

DAVA
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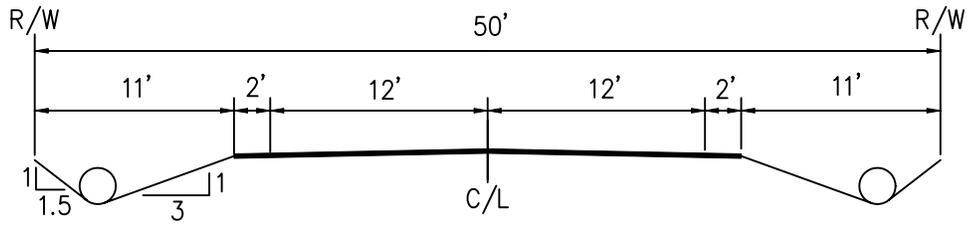
& ASSOCIATES, INC.

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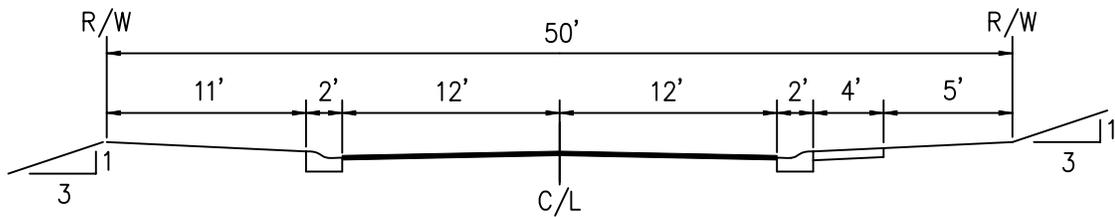
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PRESCOTT VALLEY

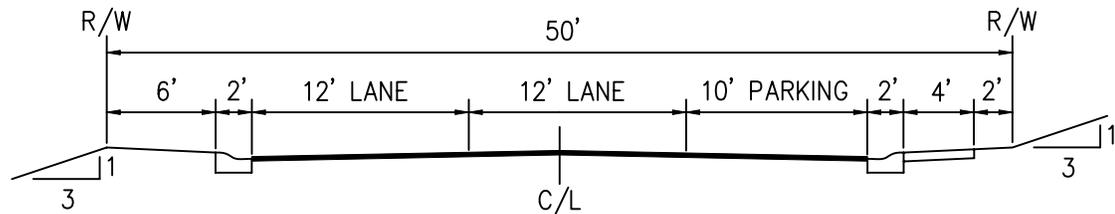
RESIDENTIAL STREET CROSS SECTIONS



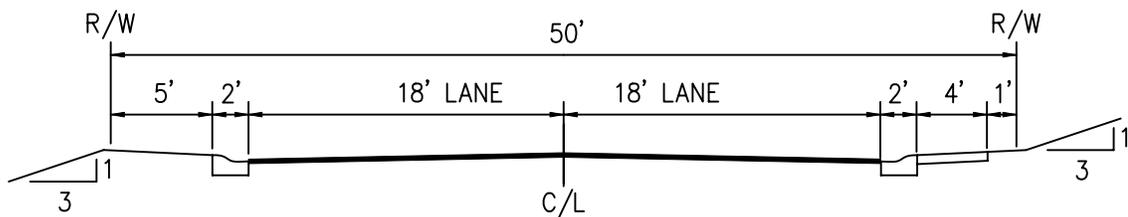
RESIDENTIAL STREETS WITH OPEN DITCH



RESIDENTIAL STREETS WITH CURB - NO PARKING



RESIDENTIAL STREETS WITH CURB - PARKING ONE SIDE



RESIDENTIAL COLLECTOR STREET WITH CURB

DAVA
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