

CITY OF WILLIAMS CITY COUNCIL

ANNOTATED MINUTES
AGENDA ITEM

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FEBRUARY 12, 2015
COUNCIL ACTION

I. PROCEDURES:

- A. Call to Order Mayor Moore called the meeting to order at 7:00 p.m.
- B. Pledge and Invocation Al Richmond led the pledge of allegiance, and the invocation was offered by George Glen.
- C. Roll Call Mayor John Moore, Vice Mayor Don Dent, and Councilmen Craig Fritsinger, Bernie Hiemenz, Lee Payne and James Wurgler were present and constituted a quorum. Councilman Frank McNelly was absent.
Present from City Staff were Brandon Buchanan, City Manager, Police Chief Herman Nixon, Finance Director Keith Buonocore, Public Works Director Kyle Christiansen, and City Clerk/HR Director Susan Kerley.
- D. Approval of Minutes: January 22, 2015, and January 29, 2015 Councilman Fritsinger made a motion to accept the minutes from January 22nd and January 29th. The motion was seconded by Councilman Hiemenz, and it carried 5-0.
- E Adopt Agenda Councilman Payne made a motion to adopt the Agenda as presented. Councilman Wurgler seconded the motion, and it carried 5-0.

II. PRESENTATIONS

A. Williams Volunteer Fire Department on ISO rating: Chase Pearson, Fire Chief

Fire Chief Pearson said that the new ISO rating for the next six years is a 55Y. This score is based 50% on fire capabilities, 40% on water availability, and 10% on dispatch. Williams is in the top 35% nationwide of cities its size. It includes testing of trucks, hydrants and performance. The Department's actual score was 57.9, just 2.5 points from a better rating. The ISO is used to set fire insurance premiums. They plan to improve this score over the next several years. Mayor Moore asked that they plan to work toward increasing these ratings. Chief Pearson said that the Fire Department would also like to get there because of their sense of pride and for the good of the community. ISO is only concerned with structural fires, but we also cover car accidents, hazardous materials, etc.

III. PUBLIC PARTICIPATION - NONE

IV. CONSENT AGENDA ITEMS

- B. Approval of Purchase Orders: K. Buonocore Councilman Fritsinger made a motion to approve both Consent Agenda Items, purchase orders and the check register. Council Hiemenz seconded the motion, and it carried 5-0.
- C. Approval of Check Register for Month Ending January 31, 2015: K. Buonocore

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NON-CONSENT AGENDA ITEMS

- D. Council will review and may approve an IGA with Central Yavapai Fire District for joint-purchasing of supplies/equipment: C. Pearson
- Chase Pearson, Fire Chief, explained that this IGA allows us to participate in joint purchasing that receives quantity discounts. Councilman Dent made a motion to approve the IGA with Central Yavapai Fire District, and the motion was seconded by Councilman Payne. It carried 5-0.
- E. The Council will hear a presentation from the Granger Group regarding a potential theme park project in Williams and may discuss the potential project.
- Gary Granger introduced Greg Markvluer as Senior Vice President of Development and Finance of the Granger Group. He also introduced Max and Thelma Biegert. Max Biegert said they spent 20 years here getting the Railway going. He believes a project is only as good as the people involved, and they are honest, square people. He believes the Theme Park will be just as good for the community, county and State as the Railway was. He thanked everyone for their help and attention, and said he hopes to see the project go forward.
- Gary Granger continued by giving his definition of “goal”: simple things executed well lead to great things. The project in Williams will use approximately 40% of the funds available. Their company, the Granger Group, is a finance company and development is a big part of that. The easiest project is the Williams project at \$400 million. It will be a stepping stone to the Phoenix project, and that will be a stepping stone to international travel. Their job is to put small things together and that will lead to larger projects.
 - Their plan is to take the revenue generated and recapture 9% of the revenue to pay off the bonds. The Park must stand on its own feet financially.
 - Greg Markvluer said their mission is to reclaim the Grand Canyon as an Arizona destination.
 - They showed a slide of logos of companies that have been financial partners, including Lincoln, AIG, J. P. Morgan, Huntington, and Merrill Lynch. Another partner is Art Tebo,

who has vast resort experience.

- Their goal here would be to have visitors buy a pass for various attractions and to spend five days in Arizona. Northern Arizona has a phenomenal foundation, including the Grand Canyon, Walnut Canyon, Great Falls, and the Lowell Observatory. The Grand Canyon is the #2 attended National Park with 4.5 million visitors annually.
- They are undergoing a feasibility study now. They anticipate annual revenues of \$100-\$125 million with \$4-\$6 million re-invested into the community. The project site consists of 488 acres with great accessibility and visibility. It is the most opportune site for this project.
- Their current vision is that not everything should be gated. For example, an amphitheater could provide a host of other opportunities to stop for in addition to the Theme Park itself. Potential segments of the Park might include a Visitor's Center; Nature Center with nature activity like fossil dig area; Grand Canyon Station; Route 66, a component to be celebrated in the Theme Park; Miners' Camp with rapids rides, coaster, screaming swing; Navajo Nation with code talking and pow-wow activities; and Arizona Country. Other features might include The Caves, a higher-end hotel and spa that focuses on yoga and meditation with a treehouse hideaway; an RV Park; amphitheater that would offer live concerts as a nice amenity; a lake with Old Bill's Landing, offering hot air balloon rides, kayaking and rafting.
- The timeline to commencement:
Feasibility Study – completed by the end of April, then refine the scope of the project and release an RFQ (Request for Quotation) to professional operators. They will select an operator and prepare pro formas.

Go out to bond market – November to March
Construction could start – April 2016

Completion – September – October 2017

This has been an overview of their vision.

The floor was opened up for questions:

- How many months per year will the park operate? *This has not yet been determined, but it could be a nine-month operation.*
- How many employees? *Initially, a couple of thousand employees will be hired, and will be ramped up.*
- With that comes problems of infrastructure – water, traffic, etc. How as a company will you be preparing to help us with that? *Our first step will be to get a consultant on board to determine the needs, and step #2 will be to determine how to address those needs. We are anticipating working with the City to get the right consultant on board. While you're working on the Theme Park, we will have to be working on housing.*
- So you're talking about nine months with 2,000 employees? *You see that a lot with theme park operations – they use seasonal employees not just college students.*
- Should we assume you will have some year-round employees? *Yes, maintenance and marketing continue year round.*
- What is the average income of employees? *They will be good income-earning jobs not minimum wage jobs at all. How do you see yourselves working to retain the flavor of downtown? The key component is to make sure the key operator we bring in will be aware of all components. We have heard lots of stories from Max (Biegert) about what it takes to get community support.*
- *The infrastructure will cost approximately \$50 million. First, we have to come up with water and services by asking:*
 1. *What do you need?*
 2. *What will it cost?*
 3. *What is the best way to accomplish?*
- *The District now consists of 488 acres. The operator may want to do everything on that site, including employee housing.*

- *The Developer starts with an idea and then it morphs over time. One goal is to end up with a spur off the railroad, an Amtrak stop and an interstate interchange.*
- *We will need time after the Group comes with a plan to have conversations with the community. Where do we fit this into that time frame? This project has failed in the past because of governance of the project. We will be working with Craig Fritsinger on the Theme Park District Board. We want to accelerate the feasibility – we will get some good information within 75 days.*
- *This is where we are, and we will be back when we have additional information. We believe that projects that move with good momentum have credibility. We will make quality decisions and will make sure Council has the time they will need to communicate with the community.*
- *Mark Worden said that a Renaissance Park was part of the original theme park. He suggested a shuttle from the Theme Park to downtown and pointed that this is an incredible opportunity for it to be a green project.*

Gary Granger closed by saying that tonight is a business meeting. One thing they do to keep from being presumptuous is to get a room and ask people to come in with their designers so they can ask attendees what they're missing. They want to build on values and things already in Williams.

Councilman Wurgler made a motion to adjourn, and it was seconded by Councilman Fritsinger. The motion carried 5-0, and the meeting adjourned at 8:09 p.m.

VII. ADJOURN:

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Mayor John Moore

ATTEST:

City Clerk

DRAFT