



COUNCIL MINUTES

February 26, 2018

The City Council of the City of Mesa met in a Regular Council Meeting in the Council Chambers, 57 East 1st Street, on February 26, 2018 at 5:45 p.m.

COUNCIL PRESENT

John Giles
David Luna
Christopher Glover
Mark Freeman
Francisco Heredia
Kevin Thompson
Jeremy Whittaker

COUNCIL ABSENT

None

OFFICERS PRESENT

Christopher Brady
Dee Ann Mickelsen
Jim Smith

(*Councilmember Heredia participated in the meeting through the use of telephonic equipment.)

Mayor's Welcome.

Invocation by Pastor Kevin Messner with Living Word Bible Church

Pledge of Allegiance was led by JD Manning and Ayden Stock, Scout Troop #564

Awards, Recognitions and Announcements.

There were no awards, recognitions or announcements.

1. Take action on all consent agenda items.

All items listed with an asterisk (*) will be considered as a group by the City Council and will be enacted with one motion. There will be no separate discussion of these items unless a Councilmember or citizen requests, in which event the item will be removed from the consent agenda and considered as a separate item. If a citizen wants an item removed from the consent agenda, a blue card must be completed and given to the City Clerk prior to the Council's vote on the consent agenda.

Mayor Giles stated item #6-f will be removed from the consent agenda.

It was moved by Councilmember Thompson, seconded by Councilmember Glover, that the consent agenda items be approved.

Carried unanimously.

*2. Approval of minutes from previous meetings as written.

Minutes from the February 5, 2018 Council meetings.

3. Take action on the following liquor license applications:

*3-a. Christ the King Roman Catholic Parish Mesa

This is a one-day event to be held on Saturday, March 3, 2018 from 6:00 P.M. to 12:00 A.M., at Christ the King Roman Catholic Parish Mesa, 1551 East Dana Avenue. **(District 4)**

*3-b. Ultimate Imaginations

This is a one-day event to be held on Saturday, March 10, 2018 from 1:00 P.M. to 7:00 P.M. on the downtown City of Mesa streets, on Main Street and South Macdonald to 1st Avenue. **(District 4)**

4. Take action on the following bingo application:

*4-a. McGavin Ranch Activities

Earleen Winters, applicant, 8840 East Sunland Avenue. **(District 5)**

5. Take action on the following contracts:

*5-a. Six-Month Extension to the Term Contract for Citywide Temporary Agency Worker Services for the Human Resources Department **(Citywide)**

The extension will allow staff time to compile information and re-solicit this contract, due to Proposition 206. The City will also be re-writing the requirements, updating job descriptions/requirements, and job classifications.

The Human Resources Department and Purchasing recommend extending the contract through September 30, 2018 with AllStaff Services Inc.; Creative Human Resources Concepts LLC (a Mesa business); and GCA Services Group; cumulatively not to exceed \$2,960,000, based on estimated usage.

*5-b. One-Year Renewal to the Term Contract for Office Supplies and Products for Citywide Departments and the Strategic Alliance for Volume Expenditures Cooperative Members as requested by the Business Services Department **(Citywide)**

This contract provides desktop delivery of office supplies and products on an as-needed basis to City departments, Arizona cities, towns, school districts and other members of the Strategic Alliance for Volume Expenditures purchasing cooperative. Approximately 80 agencies currently participate, and the overall spend under the contract is approximately \$5,500,000 annually.

The Business Services Department and Purchasing recommend authorizing the renewal with WIST Office Products at \$650,000 (Mesa Spend), based on estimated usage.

*5-c. **Three-Year Term Contract for Print Shop Paper for the Business Services Department (Citywide)**

This contract will provide papers used by the City's Print Shop and other City departments through the Materials and Supply Warehouse.

The Business Services Department and Purchasing recommend awarding the contract to the lowest, responsive and responsible bidder, Spicers Paper, Inc., at \$80,500 annually, based on estimated usage.

*5-d. **One-Year Term Contract for Automated Driveway Gate Operators and ADA Doors Preventative Maintenance and Repair Services for the Parks, Recreation and Community Facilities Department (Citywide)**

This contract will provide a qualified vendor to do quarterly maintenance on the City's automated driveway entrance/exit gate operators and annual maintenance on motorized ADA accessible pedestrian doors.

The evaluation committee recommends awarding the contract to the highest-scored and lowest-bid proposal from DH Pace Company, LLC, at \$97,415 annually, based on estimated usage.

*5-e. **One-Year Renewal to the Term Contract for Urban Lake Maintenance for the Parks, Recreation and Community Facilities Department (Citywide)**

The City currently maintains and operates two urban fishery lakes and four community lakes. This contract provides urban lake maintenance for Riverview Park Lake, Red Mountain Lake, Dobson Ranch Lake, Carriage Lane Lake, Greenfield Park Lake and Eastmark Park Lake. The contractor is responsible for lake maintenance, water testing and analysis, mechanical equipment maintenance, fish management and chemical treatment of these lakes.

The Parks, Recreation and Community Facilities Department and Purchasing recommend authorizing the renewal contract with Aquatic Consulting & Testing, Inc., at \$34,601.50, based on estimated usage.

*5-f. **Purchase of One Replacement Gas Ceramic Kiln for the Arts and Culture Department (Sole Source) (Citywide)**

This purchase will provide a kiln for the Mesa Arts Center (MAC) to replace an existing kiln that is at the end of service life for the MAC's largest program, ceramics. It will be used to fire artwork from all ceramics and glaze classes. Also, because this kiln can fire at various temperature ranges in a fraction of the time and resources compared to other kilns, it can be fired more often, in more diverse ways, consuming less resources at a lesser expense.

The Arts and Culture Department and Purchasing recommend awarding the contract to the sole source vendor, Bailey Pottery Equipment Corp. and Ceramic Supply, at \$26,281.03. This purchase is funded by the Mesa Arts Center Restoration Fund.

*5-g. **Replacement/Upgrade Purchase of a Wireless Microphone System for the Arts and Culture Department (Citywide)**

This purchase will provide a wireless microphone system including 16 wireless microphones and bodypacks. The existing system is being upgraded due to the new FCC requirement that all users vacate the 600mhz spectrum. Pricing includes a \$7,000 rebate for turning in the existing system.

The Arts and Culture Department and Purchasing recommend awarding the contract to the lowest, responsible and responsive bidder, Westlake Pro, Inc., at \$31,143.55. This purchase is funded by the Mesa Arts Center Restoration Fund.

*5-h. Purchase of Eight Replacement Ceiling Acoustic Curtains for the Arts and Culture Department **(Citywide)**

The contract will provide a qualified and experienced contractor to fabricate, deliver and install ceiling variable acoustic curtains for the Mesa Arts Center, Ikeda Theater. This project will replace eight sets of curtains that are past cycle replacement, which are used to change the acoustics of the room.

The Arts and Culture Department and Purchasing recommend awarding the contract to the lowest, responsive and responsible bidder, iWeiss, Inc., at \$32,769.64, based on estimated usage. This purchase is funded by the Mesa Arts Center Restoration Fee.

*5-i. Replacement/Upgrade Purchase of Storage Infrastructure Components for the Information Technology Department **(Citywide)**

These purchases are part of the City's Lifecycle Management Program to replace aging hardware and software that has reached the end of its supportable life. These purchases will provide a highly available storage and backup platform that provides improved performance, lower operating costs, using less space and power, while providing a backup platform that safeguards critical data and applications.

The Information Technology Department and Purchasing recommend authorizing the purchase using the State of Arizona and Maricopa County cooperative contracts with the lowest-quoted vendor, iT1 Source, for \$333,685.71. This purchase is funded by the Lifecycle Management Program budget.

*5-j. Purchase of Eight Additional Mobile Two-Way Radios, Accessories and Related Equipment for the Fire and Medical Department **(Citywide)**

This purchase will provide eight additional mobile radios, along with accessories and other related equipment required for mounting mobile radios in emergency response apparatus. The Fire and Medical Department currently uses the Motorola APX series of portable and mobile two-way digital radios as the standard for firefighters, paramedics and apparatus.

The Fire and Medical Department and Purchasing recommend authorizing the purchase using the State of Arizona cooperative contract with Motorola Solutions, Inc., at \$39,778.01. This purchase is funded by the Capital – General Fund.

*5-k. One-Year Term Contract for Firewall Replacement Services and Parts for the Police Department **(Citywide)**

The Police Department's Information Technology Division is requesting a contract for services and parts to support their Firewall Replacement Project. Hye Tech Network and Security Solutions started an evaluation of this project in May 2017 and has provided a statement of work for a logically phased implementation plan.

The Police Department and Purchasing recommend authorizing the purchase using the 1Government Procurement Alliance cooperative contract with Hye Tech Network and Security Solutions, LLC, at \$75,000 annually, based on estimated usage.

- *5-l. Purchase of a Liquid Chromatograph Time-of-Flight Mass Spectrometer (Addition) for the Police Department (Sole Source) **(Citywide)**

The Forensic Services Division is requesting this equipment to enable the Crime Laboratory to effectively screen and test both blood and urine drug samples on criminal cases. This instrument will allow the lab to screen for over 800 known impairing drugs, including new substances such as spice, bath salts and new opioid designer drugs. Currently these are sent to the Arizona Department of Public Safety or National Medical Services Laboratory.

The Police Department and Purchasing recommend awarding the contract to the sole source vendor, Agilent Technologies, at \$284,998.06. This purchase is funded by the Governor's Office of Highway Safety Grant and by the Police Department operating budget.

- *5-m. One-Year Renewal to the Term Contract for Phlebotomy Services for the Police Department **(Citywide)**

The contract provides phlebotomy services as required by the Police Department. Technicians draw blood samples from suspected impaired motor vehicle operators or persons involved in other criminal investigations. Additional services such as urine sampling and exposure draw and delivery of samples to a laboratory for testing may be provided.

The Police Department and Purchasing recommend authorizing the renewal with Desert Testing Services, LLC (a Mesa business), at \$135,000, based on estimated requirements.

- *5-n. Purchase of a Digital Imaging System for Shoe/Tire Impression Evidence for the Police Department (Sole Source) **(Citywide)**

The Police Department has an investigative need for the re-establishment of a footwear/tire comparative sub-discipline, due to the number of crimes and the amount of footwear/tire impression evidence being collected at crime scenes, as well as the "real-time" status of several disciplines. The instrument will streamline the preservation of gel lifted impression evidence, reduce the number of photographs being stored, save time in both the collecting and processing of evidence, and produce higher quality comparative images for timely analyses.

The Police Department and Purchasing recommend awarding the contract to the sole source vendor, BVDA America, Inc., at \$74,324.45. This purchase is funded by Crime Lab Assessment Funds and the Police Department operating budget.

- *5-o. One-Year Renewal to the Term Contract for Automotive Lighting, Mirrors and Safety Supplies for the Fleet Services Department **(Citywide)**

This contract provides trailer parts, automotive and truck lighting parts, mirrors and safety supplies for the City's diverse fleet of passenger cars, patrol sedans, pickups and utility vans, plus an assortment of small engine equipment.

The Fleet Services Department and Purchasing recommend authorizing the renewal with The WW Williams Company, LLC (formerly Auto Safety House LLC); CLF Warehouse, Inc.; RWC International Ltd.; FleetPride (a Mesa business); and Parts Authority LLC; cumulatively not to exceed \$130,000 annually, based on estimated usage.

- *5-p. Thirty-Three Month Term Contract for Gas Service Regulators for the Materials and Supply Warehouse (for the Energy Resources Department) **(Citywide)**

This contract will provide gas service regulators for new construction projects and maintenance and repair of existing facilities in the City's natural gas distribution system. The contract establishes a list of pre-approved vendors who will respond with quotes to increase pricing competition. This award will add two additional vendors to one awarded previously.

The Business Services and Energy Resources Departments, and Purchasing recommend awarding the contract to the qualified vendors: Border States, and Elster American Meter Company, LLC; cumulatively not to exceed \$86,100 annually, based on estimated usage.

- *5-q. One-Year Renewal to the Term Contract for Illuminated Street Name Signs and Maintenance Services for the Transportation Department **(Citywide)**

This contract provides maintenance and repair of illuminated street name signs mounted on traffic signal poles, sign face replacement, retrofit of existing illuminated street name signs with LED light sources, fabrication and installation of new LED illuminated street name signs, and removal of existing illuminated street name signs, as-needed.

The Transportation Department and Purchasing recommend authorizing the renewal with Fluoresco Services LLC, at \$150,000, based on estimated usage. This purchase is funded in the Local Streets Sales Tax Fund and the Transportation Department operating budget

- *5-r. One-Year Renewal to the Term Contract for Traffic Signal Control Cabinets for the Materials and Supply Warehouse (for the Transportation Department) **(Citywide)**

This contract provides traffic signal cabinets to maintain and replace existing equipment in the field, as well as supply new cabinets for traffic signals constructed by the Transportation Department.

The Business Services and Transportation Departments, and Purchasing recommend authorizing the renewal with Sierra Transportation & Technologies, LLC; and Econolite; cumulatively not to exceed \$280,000 annually, based on estimated usage.

- *5-s. One-Year Renewal to the Term Contract for Asphalt Materials for the Transportation, Energy Resources and Water Resources Departments **(Citywide)**

This contract will provide hot mix asphalt for the repair of City streets for use by the Transportation Department and cold mix asphalt for temporary repairs for use by the Energy and Water Resources Departments.

The Transportation, Energy Resources and Water Resources Departments, and Purchasing recommend authorizing the renewal contract with Vulcan Materials Co.; and Fisher Sand and Gravel Co., dba Southwest Asphalt; cumulatively not to exceed \$789,000, based on estimated usage.

- *5-t. Three-Year Term Contract for Concrete Tools and Accessories for the Transportation Department **(Citywide)**

The materials acquired through this contract will be used to support maintenance activities performed daily by Transportation Field Operations staff.

The Transportation Department and Purchasing recommend awarding the contract to the lowest, responsive and responsible bidders, Border Construction Specialties; and Construction Tool & Supply; cumulatively not to exceed \$53,200 annually, based on estimated usage. This purchase is funded by the Local Streets Sales Tax Fund.

- *5-u. One-Year Renewal to the Term Contract for Advanced Traffic Controllers for the Transportation Department **(Citywide)**

This contract provides Linux-based Advanced Traffic Controllers, a newer controller standard that will replace the current standard the City had been using for over 20 years, and controller firmware that runs on the controllers that has advanced light rail transit features absent in other software options. This equipment has been deployed at signalized-intersections in the light rail corridor to take advantage of the advanced features and will likely expand to other signalized locations throughout the City.

The Transportation Department and Purchasing recommend authorizing the renewal contract with Clark Electric Sales, Inc., dba Clark Transportation Solutions; and Advanced Traffic Solutions, LLC, dba Fourth Dimension Traffic; cumulatively not to exceed \$120,000, based on estimated usage.

- *5-v. Three-Year Term Contract for Tree Maintenance and Assessment Services for the Transportation Department **(Citywide)**

This contract will provide tree pruning and general maintenance for numerous trees within the public right-of-way and around City assets, such as streetlight fixtures and signs. Trees maintained within the City's right-of-way and private property require ongoing, and often specialized, care and maintenance needs, which requires crews and equipment to conduct work along City streets.

The Transportation Department and Purchasing recommend awarding the contract to the lowest, responsive and responsible bidder, West Coast Arborists, Inc., at \$341,310 annually, based on estimated usage. This purchase is funded by the Highway User Revenue Fund.

- *5-w. Three-Year Term Contract for Hach Bench Service and Replacement Equipment and Supplies for the Water Resources Department (Sole Source) **(Citywide)**

This contract will provide for purchases of bench service agreements, replacement equipment, and supplies from Hach Company. Hach equipment is used throughout the City's water treatment plants, water reclamation plants and wastewater collections.

The Water Resources Department and Purchasing recommend awarding the contract to the sole source vendor, Hach Company; Year 1, at \$250,000; Year 2, at \$150,000; and Year 3, at \$160,000; based on estimated usage.

- *5-x. Dollar-Limit Increase to the Term Contract for Deep Well and Well Pump Maintenance and Repair Services for the Water Resources Department **(Citywide)**

Water Resources has requested the increase to support aging wells covering critical well work. Performing scheduled well maintenance and inspections on a 6-year cycle will provide the City with the necessary information needed to determine when the well will be coming to the end of its life. Funding and replacement can then be planned.

The Water Resources Department and Purchasing recommend the dollar-limit increase with Weber Water Resources, LLC; and Southwest Waterworks Contractors Inc.; by \$200,000, from \$280,000 to \$480,000 annually, based on estimated usage.

- *5-y. One-Year Term Contract for Electrical Supplies for Process Controls and SCADA for the Water Resources Department **(Citywide)**

This contract will provide for large electrical items such as Schneider, Square D, Modicon, Wiremold, and many others, for use in the water treatment plants, reclamation plants, and other system assets.

The Water Resources, and Parks, Recreation and Community Facilities Departments, and Purchasing recommend authorizing the purchase using the City of Tempe cooperative contract with: Border States Industries, Inc.; Capital Electric Supply; Summit Electric Supply; and WESCO Distribution; at \$240,000 annually, based on estimated usage.

- *5-z. Dollar-Limit Increase to the Term Contract for Ultraviolet Wastewater Disinfection Parts for the Water Resources Department **(Citywide)**

This contract provides quality lamps, ballasts, wiper assemblies and lamp sleeve assemblies that fit and operate in the Trojan Technologies disinfection system. Water Resources has requested an increase for Year 2 (current contract term) and Year 3. The increase is needed to cover proactive maintenance on the system.

The Water Resources Department and Purchasing recommend increasing the dollar limit with UV Inc.; and DC Frost and Associates, Inc.; Year 2 by \$75,000, from \$115,000 to \$190,000; and Year 3 by \$100,000, from \$90,000 to \$190,000; based on estimated usage.

6. Take action on the following resolutions:

- *6-a. Granting a modification, as allowed under section 24(B) of the Terms and Conditions for the Sale of Utilities, deferring the extension of the sewer main line and connection to the City sewer system for the property located at 1849 South Recker Road. **(District 2)**– Resolution No. 11094.
- *6-b. Approving and authorizing the City Manager to enter into a Memorandum of Understanding with R^3 MESA, LLC, for a mixed-use development of approximately 1.0 acre of City-owned property located near the southeast corner of West Pepper Place and North Robson (the Pepper Place parking lot). **(District 4)** – Resolution No. 11095.
- *6-c. Approving and authorizing the City Manager to enter into an Agreement Regarding Treated Water with Apache Junction Water Utilities Community Facilities District (AJWD) for the treatment of (limited amounts) of raw water. Mesa will receive revenue of approximately \$9,200 annually from AJWD for the treated water. **(Citywide)**– Resolution No. 11096.
- *6-d. Approving and authorizing the City Manager to enter into the Intergovernmental Agreement for Communications Systems Strategic Alliance as the Administrative Manager on behalf of the TOPAZ Regional Wireless Cooperative (TRWC). This IGA will increase the operational and interoperable capabilities of the two adjacent public safety radio networks (the (Phoenix) Regional Wireless Cooperative (RWC) and the TRWC) in response to user demands. **(Citywide)** – Resolution No. 11097.
- *6-e. Approving and authorizing the City Manager to enter into a SubGrant Award Agreement with the Arizona Department of Public Safety to accept \$1,265,315 in grant funds from the Victims of Crime Act, Victim Assistance Grant Program, from October 2017 to September 2020. A City match of \$316,329 is required, plus additional anticipated project salary costs of \$244,789, for a total City obligation of \$561,118. The grant funds will be used for personnel costs and operating expenses at the Police Department's Mesa Family Advocacy Center. **(Citywide)** – Resolution No. 11098.
- *6-f. See: **Items not on the Consent Agenda.**

7. Discuss, receive public comment, and take action on the following resolution and ordinance relating to the property located at 8800 to 8900 blocks of East Main Street:

- *7-a. A resolution approving and authorizing the City Manager to enter into a Development Agreement with Roger D. Overson to facilitate the development of an RV dealership and storage facility on property zoned General Commercial, Planned Area Development (GC-PAD) located at 8800 to 8900 blocks of East Main Street. **(District 5)** – Resolution No. 11099.
- *7-b. **ZON17-00323 (District 5) Ordinance.** The 8800 to 8900 blocks of East Main Street (south side). Located west of Red Mountain Freeway on the south side of Main Street (16.4± acres). Rezoning from RS-43 and GC to GC-PAD; and Site Plan Review. This request will allow for the development of an RV dealership and storage facility. Jeff Welker, Welker Development Resources, applicant; Roger D. Overson, owner. – Ordinance No. 5422.

Staff Recommendation: Approval with conditions

P&Z Board Recommendation: Approval with conditions (Vote: 6-0)

8. Take action on the following subdivision plats:

- *8-a. "Southern & Stapley" (**District 4**) The 1100 block of South Stapley Drive (east side), and the 1200 block of East Southern Avenue (north side). Located north and east of the northeast corner of Stapley Drive and Southern Avenue. 3 LC commercial lots (2.9 ± acres). Stapley and Southern Partners, LLC, developer; Michael J. Thomson, Helix Engineering, LLC, surveyor.
- *8-b. "Eastmark Development Unit 6 - Infrastructure for Commercial Parcels" (**District 6**) The 3600 - 4000 blocks of South Everton Terrace. Located south and east of Elliot and Ellsworth Roads (6.9 ± acres). DMB Mesa Proving Grounds, LLC, developer; Nicholas W. Jarrett, Sunrise Engineering, surveyor.
- *8-c. "Eastmark Development Unit 5/6 South Parcels 6-16 and 6-18 to 6-23" (**District 6**) The 3900 - 4400 blocks of South Eastmark Parkway (east side), and the 3900 - 4200 blocks of South Everton Terrace (west side). Located south and east of Elliot and Ellsworth Roads. 405 PCD single residence lots (107.8 ± acres). DMB Mesa Proving Grounds, LLC., developer; Kenneth P. Converse, Hoskin Ryan Consultants, Inc., surveyor.
- *8-d. "Map of Dedication for East Point Twenty-Two Boulevard & South Ellsworth Road" (**District 6**) The 3600 - 4400 blocks of South Ellsworth Road. The 4900 -5000 blocks of South Ellsworth Road. The 9200 - 9600 blocks of East Point Twenty-Two Boulevard (5.46 ± acres). DMB Mesa Proving Grounds, LLC, developer; Gabriel S. Rios, Wood/Patel, surveyor.
- *8-e. "Eastmark Development Unit DU 3/4 - Parcel 4" (**District 6**) The 9800 - 10,000 blocks of East Ray Road (north side). Located east of the northeast corner of Ellsworth and Ray Roads. 132 PCD attached single residence lots (11.27 ± acres). BB Mesa Gateway, LLC., developer; Douglas B. Toney, Bowman Consulting, surveyor.

11. Introduction of the following ordinance and setting March 5, 2018 as the date of the public hearing on this ordinance:

- 11-a. **ZON17-00320 (District 5) Ordinance.** The 5800 through 5900 blocks of East Thomas Road (south side), and the 3400 through 3500 blocks of North Recker Road (west side). Located at the southwest corner of Recker and Thomas Roads (27± acres). Rezoning from RS-90 to RSL-4.5-PAD; and Site Plan Review. This request will allow for the development of a single-residence subdivision. Sean Lake, Pew & Lake, PLC, applicant; DTD-DEVCO 13, LLC, owner.

Staff Recommendation: Denial

P&Z Board Recommendation: Approval with conditions (Vote: 5-2)

Items not on the Consent Agenda

6. Take action on the following resolution:

- *6-f. Extinguish a drainage easement located at 2836 South Signal Butte Road. **(District 6)**

The property owner has requested the City extinguish the existing drainage easement to accommodate the proposed development of New Traditional Academy School.

Michael Mihin, a Mesa resident, stated in February an informational meeting was conducted regarding a development next to the school, however, he is unable to locate any evidence showing the parcels will come together and build a new drainage easement. He advised his concern is related to localized flooding during the monsoon season if the existing easement is extinguished.

City Engineer Beth Huning advised new developers are required to meet the engineering standards associated with retention and run-off before the City vacates an easement.

Mr. Mihin requested to meet with City Engineering to receive clarification and have his questions answered regarding the drainage easement.

Mayor Giles advised agenda item #6-f will be continued to the March 5, 2018 Council meeting.

9. Conduct a public hearing on the following annexation case:

- *9-a. Public hearing for the release of the petition for signatures for the following annexation case ANX17-00253, located south of Williams Field Road and west of Signal Butte Road (27.12± acres). Initiated by Valerie Claussen, Pew and Lake, PLC. **(District 6)**

Mayor Giles announced that this is the time and place for a public hearing regarding the proposed annexation case ANX17-00253.

There being no citizens present wishing to speak on this issue, the Mayor declared the public hearing closed.

10. Take action on the following subdivision plats:

Mayor Giles noted that at the February 22, 2018 Study Session, Councilmember Thompson declared a potential conflict of interest with respect to the following items and would refrain from discussion/consideration of such matters.

- 10-a. "Tavera" **(District 6)** The 8500 - 8800 blocks of East Guadalupe Road (north side). Located on the north side of Guadalupe Road west of the 202 San Tan Freeway. 93 RS-6-PAD single residence lots (16.6 ± acres). Mattamy Arizona, LLC, developer; Tony P. Elley, Sunrise Engineering, surveyor.
- 10-b. "Tavera South" **(District 6)** The 8500 block of East Guadalupe Road (south side). Located on the south side of Guadalupe Road east of Hawes Road. 68 RSL-3.0-PAD single residence lots (10.16 ± acres). Mattamy Arizona, LLC, developer; Tony P. Elley, Sunrise Engineering, surveyor.

It was moved by Councilmember Freeman, seconded by Vice Mayor Luna, to approve the subdivision plats.

Upon tabulation of votes, it showed:

AYES – Giles-Luna- Freeman-Glover-Heredia-Whittaker
ABSTAIN – Thompson

Mayor Giles declared the motion carried by majority vote of those voting.

12. Take action on the following resolution relating to an Intergovernmental Agreement pertaining to Arizona State University:

12-a. Approving and authorizing the City Manager to enter into an Intergovernmental Agreement with the Arizona Board of Regents for, and on behalf of, Arizona State University (ASU) for the development, operation, and maintenance of educational facilities in downtown Mesa. **(Citywide)**

The following citizens spoke in support to agenda item 12-a:

- Bob Worsley, State Senator
- Tony Wall, 3W Management
- Jen Duff, a Mesa resident
- Tim Sprague, Habitat Metro
- Craig Lohman, a Mesa resident and Mesa business owner
- Kelly Smith, spoke on behalf of Project Downtown Mesa
- Mike Hutchinson, a Mesa resident
- Clint Hardison, a Mesa resident
- Deanna Villanueva-Saucedo, a Mesa resident
- Mara Benson, a Mesa resident
- Shawn Huntington, a Mesa resident and Mesa business owner
- Peter Costa, a Mesa resident
- Steve Hardison, a Mesa resident

The speakers offered a series of comments including, but not limited to, the following:

- Every 50 years a City has a transformative moment and the City of Mesa's next moment is bringing ASU to the community.
- Scottsdale and Paradise Valley venture capitalists have expressed an interest in investing in downtown Mesa if the ASU campus comes to the area.
- The addition of the ASU campus is critical to the renovation efforts currently happening in downtown Mesa.
- Adding the ASU campus to downtown Mesa is a step in the right direction to bringing education and economic development together.
- Although there is a concern of increased taxes and utilities if the ASU campus comes to the downtown area, residents need more opportunities, higher education, and better-quality jobs.
- The economic benefits with the addition of ASU will provide needed revenues for public safety and much more.
- Now is the time to latch on to opportunities that will transform the downtown area and stimulate growth.

- The Light Rail and the Mesa Arts Center have come to the downtown area; the ASU campus is the next big addition that needs to happen to downtown Mesa.
- Business owners will want to develop in the downtown area if the ASU campus is brought to Mesa.
- ASU is an investment in our future and will make residents proud to live in Mesa.
- This is an opportunity to reinvest in downtown Mesa to make a real impact with a great partner.
- Every argument heard against ASU coming to Mesa could have been the same argument given ten years ago when Phoenix was bringing ASU to their downtown. Because Phoenix added ASU to their downtown they now have a vibrant district filled with new high quality multi-family developments, retail developments and office developments.
- Mesa would be using ASU to spur downtown projects and allow the City to be competitive with surrounding cities.
- As a community, Mesa will not be competitive in landing companies that provide high paying jobs and contribute to a sustainable long-term economic future if the City does not have a more educated workforce. Education is an economic development issue and this type of development increases the educational possibilities for families and students in need.
- ASU can play an effective role in improving Mesa's economy and will lead to job creation and additional benefits for the local businesses in the downtown area.
- If ASU is brought to the downtown area, businesses will have the opportunity to connect with ASU students and build relationships through creative outlets to help businesses thrive.
- The proposed ASU campus would attract young families to the City where they would feel connected to the community.

The following citizens spoke in opposition to agenda item 12-a:

- Nate Gafvert, spoke on behalf of the Mesa Police Association
- Steven Hetsler, a Mesa resident
- Courtney Guinn, a Mesa resident
- Angel LaVine, a Mesa resident
- Patrick Kee, a Mesa resident
- Steven Viramontes, a Mesa resident
- Heather Scantlebury, a Mesa resident
- Verl Farnsworth, a Mesa resident

The speakers offered a series of comments including, but not limited to, the following:

- Due to a reduction of 106 Police Officers from 2008 to 2017, citizens felt the increase of public safety response times and decreased service.
- It is proposed to spend 75 million dollars on this project, but no money for one of the core responsibilities of City Government, which is public safety.
- Bonds will first be issued to pay for the ASU campus, but will eventually be paid for by increased taxes, increased utilities, or reduced services.
- Investors need to support the proposed ASU campus, not Mesa's public funding.
- Public safety not only deserves our respect but also deserves funding.
- If ASU comes to Mesa, and they default on their lease, a lawsuit could ensue creating more money issues.

- A proposal should be created to support public safety first and then ASU.
- There are already several established college campuses in the area and a better use of the money would be to expedite the needs that the City is currently experiencing; a library branch in southeast Mesa or a fire station in Eastmark.
- Adding an ASU campus to Mesa does not benefit the revitalization efforts for the downtown area, does not meet the current needs of the City, and it does not help the existing education partners already located in the area.
- The taxpayers voted in 2016 and did not approve the proposed ASU campus. The current proposal circumvents the election process.
- Mesa Police Officers are lacking the resources needed to be successful and a funding increase to public safety needs to occur.
- Mesa needs to create its own identity as not every citizen wants to live like the residents in downtown Phoenix.

Paula Norby, Campus Executive Officer and Dean of Benedictine University, advised Benedictine University has proudly been in downtown Mesa for the last six years and has invested nearly 15 million dollars. She pointed out Benedictine University continues to pay back the City's investment, but are committed to maintaining affordable education to the residents of Mesa. She stated Benedictine University supports the growth of higher education, but if ASU is afforded a discounted lease they request to renegotiate their lease.

Mayor Giles stated that the following citizens submitted speaker cards in support of the intergovernmental agreement with ASU, but did not wish to address the Council:

- Jenny Komenda, a Mesa resident
- Bill Wahl, a Mesa resident
- Amy Hardison, a Mesa resident
- Shawni Huntington, a Mesa resident
- Ben Barazoto, a Mesa resident
- Todd Skouson, a Mesa resident
- Adam Gunderson, a Mesa resident

Mayor Giles asked Rick Naimark, Associate Vice President of Arizona State University Planners Office, to provide additional information regarding the program being proposed to bring to Mesa.

Mr. Naimark advised that ASU is looking to grow a film program, currently in Tempe, that will not develop in its current configuration. He added that a Mesa campus would allow ASU the opportunity to expand on modern technologies, such as augmented reality, virtual reality, and motion capture, in state-of-the-art facilities. He stated the goal is to also partner with other departments at ASU and develop new concentrations within the majors. He added ASU would also like to create an interdisciplinary major focusing on experience design. He emphasized that this is a great opportunity and ASU wouldn't be considering it if it wasn't for the invitation from the City. He advised ASU is incredibly honored for the invitation to expand their campus to Mesa, just as they had done in downtown Phoenix.

Matt Salmon, Vice President of Governmental Affairs for Arizona State University, advised downtown Phoenix has transformed substantially since the addition of the ASU campus in that area. He stated the opinion that the same transformation could occur in Mesa with the addition of the ASU campus. He advised this is an opportunity for Mesa to step up to the plate and turn the City into a thriving community.

Councilmember Thompson pointed out that all the great projects in the downtown area, including the Mesa Arts Center, were voter approved. He stated the opinion that if an ASU campus is something the City wants then it should go back to the voters for their approval. He added that police officers haven't received merit raises in two years and funding should be reinvested in the public safety of the community. He explained a fire station is desperately needed in the Eastmark area as response times are currently six minutes. He stated it is his opinion the 75 million dollars should be spent where it is truly needed and to support the services that the citizens have come to expect.

In response to a question posed by Vice Mayor Luna, Mr. Brady stated Benedictine University was not voter approved.

In response to a question posed by Councilmember Glover, City Attorney Jim Smith explained that the Benedictine University agreement and the ASU agreement are structured differently. He advised Benedictine University has a 15-year lease with an option to purchase and the lease being considered in the Intergovernmental Agreement (IGA) with ASU is a 99-year lease with no option to purchase. He explained that an IGA is very similar to a Memorandum of Understanding (MOU) where it lays out a number of the terms. He added that the IGA is set up to negotiate the terms intended to be included in the lease. He stated the goal is for both parties to come to an agreement on the terms and then enter into a lease.

Mr. Smith explained that there are requirements in the IGA that have to occur before a deal exists. He read the following paragraph from section 14 of the IGA in order to emphasize that the IGA is really the first step and many more discussions will take place:

In the event (i) the Parties do not agree on each of the City Center Master Plan and budget, the Public Infrastructure Plan and budget, the Design Guidelines and overall Initial Project Budget; or (ii) by on or before July 1, 2019, City, for any reason, does not obtain or notifies ASU that it is unable to obtain Financing in an amount sufficient for the completion of Phase I, either Party may elect to terminate this Agreement.

Mr. Smith concluded by stating that the IGA is similar to an MOU but provides greater detail, however, the lease will ultimately be the document that will govern many of the terms.

Mayor Giles stated the opinion that the concept of bringing ASU to Mesa is great idea and is an opportunity he hopes the City does not pass up. He advised the City has supported public safety and public safety is a top priority in the community. He pointed out that Council is in the early stages of budget discussions and invited citizens to attend and provide an opinion at the upcoming meetings.

Mayor Giles advised that this is just the beginning and not the final vote regarding an ASU agreement. He explained that after the City enters into the IGA with ASU, City Management can then engage in meaningful discussions and develop a construction budget. He stated the opinion that deciding to not have conversations with ASU to see if it is possible to build a campus in Mesa is not the best route for the City. He added that the investment ASU will make in the community will be substantial.

Mayor Giles pointed out that Mesa is an undereducated community compared to neighboring cities and as a result of that Mesa's per capita income is substantially less than other cities in the valley.

Councilmember Whittaker advised in 2016, 81,993 voters told Council they did not wish to pay for ASU. He provided the following statistics:

- If \$75 million is burdened to the electric users it will cost each electric user \$4,484.50.
- If \$75 million is burdened to the water users it will cost each water user \$582.38.
- If \$75 million is burdened to the gas users it will cost each gas user \$1,209.

Councilmember Whittaker pointed out the head football coach at ASU makes 3.2 million dollars a year and this is 178 times the per capita income of the census track for one job at ASU. He added the City could fund 750 businesses with loans and grants up to \$100,000 each or the City could fund 75 businesses with loans and grants with up to 1 million dollars each. He advised a 75 million dollar project will cost \$150 for every citizen in Mesa and the City's current debt is 1.7 billion dollars, which is an increase of 48% over the last 10 years. He concluded by stating the opinion that enough is enough.

Mayor Giles commented that Question 1 was presented on the 2016 ballot and he stated the opinion that it did not pass because Mesa residents did not want a sales tax increase. He added that the result of the Imagine Mesa Campaign was the desire from residents to have an established ASU campus in downtown Mesa as an anchor for an innovation district and to accomplish it with no tax increase. He explained if the only way to bring an ASU campus to Mesa is by raising taxes then the initiative will not happen.

Councilmember Whittaker replied that on the Imagine Mesa website it shows that 438 people voted for the ASU project with no sales tax and in 2016 there were 81,993 citizens who voted against ASU coming to Mesa.

Councilmember Thompson added that every constituent that he has spoken to in his district has advised him that even if Question 1 was split, they would have supported public safety and would have still voted no to ASU coming to the City.

Councilmember Heredia advised he echoes the statements Mayor Giles has made and agrees to continue to push to fund the public safety needs in the community. He stated ASU coming to Mesa is a short-term and long-term investment and the more educational options the City can provide for the future generation the better. He encouraged residents in District 3 to contact him with questions.

It was moved by Councilmember Freeman, seconded by Vice Mayor Luna, that the City Manager enter into an Intergovernmental Agreement with the Arizona Board of Regents for, and on behalf of, Arizona State University (ASU) for the development, operation, and maintenance of educational facilities in downtown Mesa be approved.

Upon tabulation of votes, it showed:

AYES – Giles-Luna-Freeman-Glover-Heredia

NAYS – Thompson-Whittaker

Mayor Giles declared the motion carried by majority vote.

13. Items from citizens present:

Stacey Phelan, a Mesa resident, advised the intersection at Carriage Lane and Guadalupe Road is very dangerous and is causing numerous accidents. She pointed out the traffic lights at

that intersection are superimposed on each other and freeways signs are placed in that area, which causes confusion for drivers. She asks that City staff look into the issue and make the intersection safer.

Mayor Giles asked Ms. Phelan to provide her contact information with staff and arrangements will be made to address the concerns with the Transportation Department.

14. Adjournment:

Without objects, the Regular Council Meeting adjourned at 7:42 p.m.

JOHN GILES, MAYOR

ATTEST:

DEE ANN MICKELSEN, CITY CLERK

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Council Meeting of the City Council of Mesa, Arizona, held on the 26th day of February, 2018. I further certify that the meeting was duly called and held and that a quorum was present.

DEE ANN MICKELSEN, CITY CLERK

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