



# COUNCIL MINUTES

March 16, 2020

The City Council of the City of Mesa met in a Regular Council Meeting in the Council Chambers, 57 East 1st Street, on March 16, 2020 at 5:45 p.m.

## COUNCIL PRESENT

John Giles  
Mark Freeman  
Jennifer Duff  
Francisco Heredia  
David Luna\*  
Kevin Thompson\*  
Jeremy Whittaker

## COUNCIL ABSENT

None

## OFFICERS PRESENT

Christopher Brady  
Dee Ann Mickelsen  
Jim Smith

(\*Councilmembers Luna and Thompson participated through the use of telephonic equipment.)

Mayor's Welcome.

Mayor Giles led a moment of silence, followed by the Pledge of Allegiance.

Awards, Recognitions and Announcements.

Mayor Giles commented on the unprecedented level of anxiety being experienced throughout the community and the nation. He explained a state of emergency exists in the State of Arizona and new measures are added each day. He stated information on Covid-19 and current updates are available on the City's website and social media pages. **(See Attachment 1)**

Mayor Giles highlighted, as of today, Mesa libraries are closed, but the online resources are still available. He reported all of the Parks and Recreation programs have been suspended; the Mesa Convention Center, Mesa Amphitheater, Mesa Arts Center, Mesa Contemporary Arts Studio, i.d.e.a Museum, and Arizona Museum of Natural History are closed and all events have been postponed or canceled through the end of April. He stated the Household Hazardous Waste Facility is closed until further notice; the Neighborhood Cleanup Program, and bulk trash and appliance pickup are not being scheduled at this time.

Mayor Giles announced the President of the United States and the Governor's recommendations include following the Center for Disease Control (CDC) guidelines which discourages convening in groups of 10 or more. He added while dining out in restaurants has been suspended, he encourages takeout to support the local economy.

Mayor Giles provided an update on many non-profit and social services agencies that provide food in Mesa and explained they are operating as usual with minor adjustments to ensure the safety of their employees, volunteers and customers.

Mayor Giles advised there is sufficient food resources for residents in need. He added families in need can go to [www.azfoodbanks.org](http://www.azfoodbanks.org) to locate a local food bank.

Mayor Giles remarked Mesa Public Schools (MPS) has been suspended, adding that meals will be available to all children 18 years of age and younger, regardless of where they attend school, at every elementary school in Mesa from 11:00 a.m. to 1:00 p.m., Monday through Friday, and on Fridays Arizona Brainfood will supply bags with supplemental food for the weekend. He indicated MPS locations can be found by going to [www.mpsaz.org/research/maps\\_locate/map](http://www.mpsaz.org/research/maps_locate/map) and Gilbert Public Schools can be found by going to [www.gilbertschools.net/alerts](http://www.gilbertschools.net/alerts).

Mayor Giles reported Meals on Wheels is a great program for seniors in need and their website is [www.asteraz.org](http://www.asteraz.org) to request services. He stated many organizations are in need of volunteers and he encouraged residents who are well and have time, to visit [www.justserve.org](http://www.justserve.org) or [www.unitedfoodbank.org](http://www.unitedfoodbank.org) for volunteer opportunities. He continued by saying that Mesa United Way has a fund set up to deal with the coronavirus situation at [www.mesaunitedway.org](http://www.mesaunitedway.org).

Mayor Giles announced the City of Mesa Utility Department, including energy and water, have suspended utility cutoffs. He encouraged customers with delinquent notices to contact customer service to receive assistance with benefits.

Mayor Giles presented a proclamation to Councilmember Duff commemorating Women's History Month, which celebrates women's contributions to history, culture and society. He stated the City of Mesa is proud of the incredible cadre of females who assist in running the City.

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.

It was moved by Vice Mayor Freeman, seconded by Councilmember Heredia, that the consent agenda items be approved.

Upon tabulation of votes, it showed:

AYES – Giles-Freeman-Duff-Heredia-Luna-Thompson-Whittaker  
NAYS – None

Carried unanimously.

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

Minutes from the January 30, February 13, February 24, March 2, 2020 Study Sessions and March 2, 2020 Regular Council meeting.

3. Take action on the following liquor license applications:

\*3-a. Mesa United Way

This is a one-day event to be held on Thursday, April 9, 2020 from 6:00 A.M. to 9:00 P.M. at Roosevelt Water Conservation District, 6937 East Elliot Road. **(District 6) – REMOVED FROM AGENDA**

\*3-b. Mikey's League Inc.

This is a one-day event to be held on Thursday, April 2, 2020 from 5:00 P.M. to 9:00 P.M. at Desert Wind Harley Davidson, 922 South Country Club Drive. **(District 4)**

\*3-c. Square One Inc.

This is a one-day event to be held on Thursday, April 16, 2020 from 5:00 P.M. to 9:00 P.M. at Desert Wind Harley Davidson, 922 South Country Club Drive. **(District 4)**

\*3-d. Ultimate Imaginations Inc.

This is a one-day event to be held on Saturday, April 4, 2020 from 11:00 A.M. to 5:00 P.M. for the Downtown Mesa Association, on Macdonald, from Main Street to 1st Street and on Pepper Place, from Center Street to Robson. **(District 4)**

4. Take action on the following contracts:

\*4-a. Eighteen-Month Term Contract for Office Furniture Products and Millwork Services for Citywide Use as requested by the Parks, Recreation and Community Facilities Department. **(Citywide)**

This contract will provide millwork services for Citywide departments as needed. The City currently utilizes general contractors when soliciting millwork (cabinetry and countertops). By contracting with Arizona Correctional Industries, the City can reduce costs by avoiding markup fees on smaller projects that can be managed by City staff.

The Parks, Recreation and Community Facilities Department and Purchasing recommend authorizing the purchase using the State of Arizona cooperative contract with Arizona Correctional Industries, at \$75,000 annually, based on estimated usage.

\*4-b. Dollar-Limit Increase to the Term Contract for Landscape Maintenance Services for Parks, Retention Basins and Sports Fields (Zone 1) for the Parks, Recreation and Community Facilities Department. **(Citywide)**

The increase is needed to add landscaping maintenance services for Eastmark Phase III and Signal Butte Park, plus a 20% contingency.

The Parks, Recreation and Community Facilities Department and Purchasing recommend increasing the dollar-limit with Mariposa Landscape Arizona, Inc., by \$229,947.86 for Zone 1, from \$1,463,687.04 to \$1,693,634.90 for Year 3, based on estimated usage.

- \*4-c. Dollar-Limit Increase to the Term Contract for Glock Handguns for the Police Department. **(Citywide)**

In December 2019, Training Academy contingency funds were approved. This approval included the purchase of handguns and related accessories. The Training Division has requested the purchase of pistols and related accessories from the current contract with Proforce.

The Police Department and Purchasing recommend increasing the dollar-limit with Proforce Marketing, Inc., dba, Proforce Law Enforcement, by \$60,000 for Year 4, from \$105,000 to \$165,000, and by \$150,700 for Year 5, from \$80,000 to \$230,700, based on estimated requirements.

- \*4-d. Three-Year Term Contract with Two Years of Renewal Options for Scott Self Contained Breathing Apparatus Air Equipment and Repair Parts for the Mesa Fire and Medical Department (Single Response). **(Citywide)**

This equipment is used to provide breathable air to firefighters in environments that are immediately dangerous to life or health. This contract will provide Self Contained Breathing Apparatus (SCBA) parts, supplies and equipment based on need and for expansion over the next three years. Replacement equipment will be used to replace damaged and approaching end-of-life SCBA bottles and masks.

The Mesa Fire and Medical Department and Purchasing recommend awarding the contract to the single, responsive, and responsible bidder, Municipal Emergency Services, at \$355,000 annually, with an annual increase allowance of up to 5%, or the adjusted Consumer Price Index.

- \*4-e. Dollar-Limit Increase to the Term Contract for Original Equipment Manufacturer Heavy-Duty Truck Parts and Repairs for the Fleet Services Department. **(Citywide)**

This increase is needed because the manufacturer, DaDee Manufacturing, is no longer in business and the distributors/repair companies are no longer honoring DaDee warranties, thereby requiring Fleet Services to pay full repair costs when cylinders, control valves, etc., are sent out for repairs. Fleet Services estimates that an increase of \$300,000 will be adequate for the repairs and parts needed through the end of the contract on 7/31/2020.

The Fleet Services Department and Purchasing recommend increasing the dollar-limit using the Maricopa County cooperative contract with Empire Southwest, LLC (a Mesa business); Drake Equipment; Kenz & Leslie of Arizona; Lubrication Equipment and Supply Company; Norwood Equipment, Inc.; PTO Sales; and RDO Equipment; Freightliner of Arizona, Titan Machinery Inc., and Balar Holding Company; by \$300,000, from \$200,000 to \$500,000 annually, based on estimated usage.

- \*4-f. Three-Year Term Contract with Two Years of Renewal Options for Tire Maintenance and Repair Services for the Fleet Services Department. **(Citywide)**

This contract will provide tire maintenance and repair services on all wheeled equipment, maintained by the Fleet Services Department. The City's overall fleet size of larger classes of vehicles is approximately 1,750 units. The contractor will perform inspections, scheduled maintenance, and repairs at the Fleet Services Sixth Street and East Mesa

facilities and will also provide 24/7 emergency call-out service for all vehicles covered under this contract.

An evaluation committee recommends awarding the contract to the highest-scored proposal from Jack's Tire & Oil Management Company, Inc., at \$430,000 annually, with an annual increase allowance of up to 5%, or the adjusted Consumer Price Index.

- \*4-g. One-Year Term Contract with Two Years of Renewal Options for Class 250 Residential Gas Meters for the Materials and Supply Warehouse (for the Energy Resources Department). **(Citywide)**

This contract will provide new and refurbished gas meters used to monitor natural gas usage for the purpose of billing for new residential gas installations, as well as provide replacements, as needed. The new meters are Automated Meter Reading and Advanced Metering Infrastructure compatible.

The Business Services and Energy Resources Departments, and Purchasing recommend awarding the contract to the lowest, responsive and responsible bidders: Energy Economics, Inc.; and Tri-Pacific Supply, Inc.; at \$670,000 annually, with an annual increase allowance of up to 5%, or the adjusted Producer Price Index.

- \*4-h. See: **Items not on the Consent Agenda.**

- \*4-i. Authorizing the Mayor to sign an employment contract with the Interim City Auditor.

5. Take action on the following resolutions:

- \*5-a. Approving and authorizing the City Manager to accept and administer \$30,000 in grant funds from the National League of Cities, Census Rapid Response Grant Program. The funds will be used for materials and staffing associated with the Mesa Census Van to support outreach to undercounted and hard-to-count communities for the 2020 U.S. Census. **(Citywide)** – Resolution No. 11462
- \*5-b. Approving and authorizing the City Manager to accept \$78,000 from the U.S. Department of Justice, U.S. Marshals Service, for Mesa Police Officer overtime worked in support of the Joint Law Enforcement Operations Task Force. **(Citywide)** – Resolution No. 11463
- \*5-c. Approving and authorizing the City Manager to enter into a Grant Agreement with the Arizona Criminal Justice Commission to accept \$63,105 in grant funds to be used for training, equipment, and supplies for the Police Department's Forensic Services Division. **(Citywide)** – Resolution No. 11464
- \*5-d. Approving and authorizing the City Manager to enter into a Development Agreement with Signal Butte Grid LLC, relating to approximately 10,153 acres of property located near the northwest corner of Elliot Road and Signal Butte Road for the purpose of "opting-in" to the Elliot Road Technology Corridor zoning overlay. **(District 6)** – Resolution No. 11465
- \*5-e. Modifying fees and charges for the Parks, Recreation and Community Facilities Department. **(Citywide)** – Resolution No. 11466

6. Introduction of the following ordinances and setting April 6, 2020 as the date of the public hearing on these ordinances:

- \*6-a. ZON19-00806 (**District 5**) Within the 5600 to 6000 blocks of East Thomas Road (north side) and within the 3600 to 4000 blocks of North Recker Road (west side). Located north of Thomas Road and west of Recker Road (109.8± acres). Rezone from PS to RS-6-PAD and RS-7-PAD. This request will allow for the development of a single-residence subdivision. Desert Vista 100, LLC, applicant; City of Mesa, owner.

Staff Recommendation: Approval with conditions

P&Z Board Recommendation: Approval with conditions

- \*6-b. ZON19-00651 (**District 5**) Within the 1300 block of North 46th Street (west side). Located north of Brown Road and east of Greenfield Road (4.85 acres). Rezone from RS-43 to RSL-2.5-PAD. This request will allow for the development of a single-residence subdivision. Adam Baugh, Withey & Morris, PLC, applicant; Spring Sun RE, LLC, owner.

Staff Recommendation: Approval with conditions

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

7. Discuss, receive public comment, and take action on the following ordinances:

- \*7-a. See: **Items not on the Consent Agenda.**

- \*7-b. ZON19-00710 (**District 6**) Within the 7000 to 7600 blocks of East Guadalupe Road (south side) and within the 2800 through 3100 blocks of South Sossaman Road (west side). Located south of Guadalupe Road and west of Sossaman Road. Rezone from NC-PAD to RS-6-PAD (6.7± acres); and major modification of an existing PAD (213.7± acres). This request will allow for the development of a single-residence subdivision. Sean Lake, Pew & Lake, PLC, applicant; B & K Land & Investment Co., owner. – Ordinance No. 5558

Staff Recommendation: Approval with conditions

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

8. Take action on the following subdivision plat and resolution relating to the Estates at Hermosa Ranch development:

- \*8-a. “Estates at Hermosa Ranch” (**District 5**) Located within the 4000 block of East Hermosa Vista Drive (north side). Located south of McDowell Road and east of Val Vista Drive (±12.7 acres). McDowell Citrus 100, LLC, developer; Anthony N. Zaugg, Allen Consulting Engineers, Inc., surveyor.

- \*8-b. Approving and authorizing the City Manager to enter into a Maintenance Agreement with McDowell Citrus 100, LLC for the installation and maintenance of improvements in the right-of-way for a development known as Estates at Hermosa Ranch, generally located south of McDowell Road and east of Val Vista Drive. (**District 5**) – Resolution No. 11467

**Items not on the Consent Agenda.**

- 4-h. Mesa City Center - Third Guaranteed Maximum Price (GMP No. 3) - ASU @ Mesa City Center. **(District 4)**

GMP No. 1 was approved by Council on November 4, 2019 and included infrastructure improvements to the City's utilities, communications facilities, and streets needed to support the ASU building, the Plaza, the Studios and any future developments and improvements in the area.

GMP No. 2 was approved by Council on December 9, 2019 and included general site demolition, excavation of the building site, building pad preparation, foundations, the concrete building structure, and associated items.

This GMP No. 3 is the third of the series of GMP's relating to City Center work. The scope of work includes all remaining construction necessary to complete the ASU @ Mesa City Center building.

Staff recommends awarding the contract for GMP No. 3 to the selected Construction Manager at Risk, DPR Construction, in the amount of \$46,548,058, and authorizing a change order allowance in the amount of \$2,327,402.90 (5%), for a total amount of \$48,875,460.90. This project is funded by the Economic Investment Fund and Excise Tax Bonds, with an additional \$10 million from ASU sources.

Councilmember Whittaker stated his opposition to projects that continue to drain the utilities.

In response to a question from Vice Mayor Freeman regarding whether utility monies are being used to fund Mesa City Center, City Manager Christopher Brady stated early on there was some funding coming out of the Enterprise Fund, but going forward the debt service payments will not come out of the Enterprise Fund. He explained there will be multiple funding mechanisms used, like revenues from the sale of Pinal County land and other parcels.

Mayor Giles stated when discussions began regarding the Mesa City Center, he agreed to the project with the caveat that the City would not raise utility rates or sales tax to pay for the project and that is still his understanding. He expressed support for the Arizona State University (ASU) project because it will increase higher education attainment in the community and because of the economic benefit in stimulating new utility accounts and economic activity.

In response to a series of questions from Councilmember Duff, Mr. Brady indicated the anticipated utility revenues will not only be coming from the ASU building, but also the developments that are coming to Mesa in anticipation of ASU being downtown. He discussed two projects that have begun construction that were either a parking lot or underutilized area and that the sales tax and permit revenues from those new projects will go towards making the payment on the ASU building. He stated he will not know the exact revenue from those projects until they begin using utilities.

Councilmember Whittaker commented he will continue to vote against the project because residents voted in opposition in 2016. He pointed out the building is being funded from utilities because approximately \$8 million per year is transferred from utilities to either the Enterprise Fund or the Economic Investment Fund.

Management and Budget Director Candace Cannistraro reported over a two-year time period, a total of \$9 million dollars has been transferred from the Enterprise Fund to the Economic Investment Fund which is going towards the ASU project. She added going forward other sources will fund the rest of the building.

Mr. Brady confirmed there is no plan to tap into additional funding from the Enterprise Fund for the ASU project.

In response to a series of questions from Councilmember Whittaker, Ms. Cannistraro advised the sales tax excise bonds will be paid for out of the General Fund moving forward. She stated the Enterprise Fund transfer to the General Fund is unrestricted and not related to the ASU project. She mentioned the transfer that was made for the ASU project at Council direction was from the Enterprise Fund to the Economic Investment Fund, which are the only funds being used for the project. She expanded by saying the transfer from the Enterprise Fund to the General Fund is not changing in dollar amount, even though the debt service from the ASU project is being moved to the General Fund. She described the source of the funds is from the General Fund, which is being offset by land sales, and the cost and the debt service will come out of the General Fund on an ongoing basis to pay off the debt.

Mr. Brady advised, in response to Councilmember Duff's previous question, that the analysis from 2018 projected \$4.1 million for utilities and \$9.75 million per year in total economic impact from the ASU project. He stated staff will come back with a definitive answer.

Mayor Giles remarked the debt service on the bonds are unknown until the bonds are sold. He added that municipal bond rates have decreased dramatically over the last week and the contributed amount through bond debt is less than initially estimated.

In response to a question posed by Mayor Giles, Ms. Cannistraro stated the debt service on the ASU building was anticipated at around \$5 million, and the current estimate is closer to \$3.3 million.

Mayor Giles emphasized the economic impact from the ASU project will pay for itself many times over. He clarified the voters were asked to vote for a .4% sales tax increase and the vast majority of the money was earmarked for Public Safety and he believes Council is following the will of the voters.

Councilmember Luna agreed the ASU project is going to be transformational in downtown Mesa. He stated the City will be a leader in innovation and needs to continue collaborating with ASU.

It was moved by Vice Mayor Freeman, seconded by Councilmember Heredia, that the Mesa City Center contract be approved.

Upon tabulation of votes, it showed:

AYES – Giles-Freeman-Duff-Heredia-Luna-Thompson

NAYS – Whittaker

Mayor Giles declared the motion carried by majority vote.

7-a. Repealing Mesa City Code Title 3, Chapter 3 ("Utility Departments") and replacing it with a new Title 3, Chapter 3 titled "Water Resources, Energy Resources, and Environmental



Management & Sustainability Departments.” The new language includes the creation of a Utility Assistance Program, the permitted uses for the utility system revenues, and the permitted transfer of Utility Funds, primarily for Public Safety. **(Citywide)** – Ordinance No. 5559

Councilmember Whittaker stated this ordinance will not lower utility rates and raises the amount of money being taken out of the utility revenue. He commented the City of Mesa has the highest water bills compared to any other Valley city and the citizens of Mesa should not be burdened with the high cost of utilities to subsidize spending. He questioned why no one has asked the question of how much money can be extracted from utilities before being bankrupt. He remarked an analysis in 2005 recommended capping the transfer at 17% and the proposal today is a 34% transfer cap. He reported extracting that amount from utilities is reckless and destructive and will bankrupt the utility system. He added the ordinance pretends to care about Public Safety, but the unfunded Public Safety pension balance grows each year. He expanded by saying the ordinance can be overturned by Council within a short period of time, and he will be voting in opposition.

Tyler Montague, a Mesa resident, stated he is supportive of the changes to the City code because it promotes transparency and helps seniors and low-income families meet their needs. He highlighted the early payoff of the Spring Training bonds as an example of why Mesa is ranked one of the top 20 best run big cities, and per capita it has one of the lowest spending in the region. He declared the alternative plan would be devastating to Public Safety.

Ron Williams, a 19-year Mesa resident, business owner and Human Relation Advisory Boardmember, expressed his support for the ordinance because it will provide reliable and affordable utilities and is good policy to protect the taxpayers. He mentioned he continues to live in Mesa because it is one of the most affordable cities in the Valley due to no property tax, no food tax and the lowest sales tax. He continued by saying Mesa must find fiscally responsible ways to provide services like fire, police, library, parks, bus services and road repairs, which were approved by Mesa voters.

Julie Spilsbury, a District 2 Mesa resident and small business owner, stated Mesa is thriving and is attracting jobs by investing in innovative education and building the workforce. She pointed out that Mesa has made great strides in protecting quality of life by investing in Public Safety. She added that Mesa is heading in the right direction by being committed to protecting taxpayers and ensuring that City fees and taxes remain reasonable. She advised the Affordable Utilities initiative would drastically reduce the budget and force many cuts without any additional sources of revenue. She commented the ordinance is a smarter and more reliable way to ensure adequate funding for Public Safety and the best solution to keeping Mesa affordable and she supports the ordinance.

Michael Hughes, a Mesa resident and the CEO of A New leaf, agreed with the previous three speakers in supporting the ordinance, adding the ordinance strengthens Mesa’s commitment to residents, especially seniors, by enhancing the utility assistance program. He pointed out Mesa CAN has been part of A New Leaf since 2006 and the City gives approximately \$200,000 per year for utility assistance and operation.

Councilmember Whittaker disagreed that Mesa’s bond rating is among the highest in the Valley, stating that only Goodyear, Surprise and Glendale are lower. He also disagreed that Mesa is an affordable city, citing the Valley City comparison chart from Tempe that shows Mesa as the second highest on the least affordable cities list. He continued by saying he will not support the ordinance as it only increases the transfer and does nothing to make utilities more affordable.

Vice Mayor Freeman emphasized the game plan is to meet the infrastructure needs of Mesa residents because providing services to the community is the goal. He explained the Enterprise system was developed to transfer money over to the General Fund and was difficult to follow because the money was comingled, but the ordinance simplifies the process to allow transparency. He remarked that Mesa may have higher water costs, but those costs are what funds Mesa's secure water system. He expressed his support of the ordinance because it reduces the comingling and assists the underprivileged.

In response to a question posed by Vice Mayor Freeman, Mr. Brady replied Mesa has probably spent more than almost any other city in the Valley on infrastructure such as building a new water treatment plant, expanding the current wastewater treatment plant and replacing aging pipe that will serve residents today and for years to come.

Councilmember Heredia announced since being elected to Council, efforts have been made to look at the utilities and figure out solutions to problems facing Mesa residents. He advised the ordinance supports moving forward, while acknowledging this will not be the end of the conversation on ways to lessen the burden on residents. He voiced his support for the ordinance to ensure that Council continues to look at creative ways to deal with the evolving process. He expressed his commitment to continue working on the utility issues.

Councilmember Duff explained when she was elected, she did a deep dive into understanding how the Enterprise and General Funds work and stated she was impressed with the City's fiscal transparency, responsibility and audit checks that are in place. She advised the Enterprise system was built to support Mesa's budget, and one of the reasons for the negative on the bond rating is due to not having the primary property tax. She remarked two-thirds of the budget goes to Public Safety and any reduction in funds being transferred to the General Fund will certainly impact Public Safety. She stated it is critical to secure funds for Public Safety through the ordinance.

Councilmember Luna agreed with the comments expressed by Council and residents in support of the ordinance to protect the taxpayers. He stated the ordinance is important to provide relief to low-income residents.

Councilmember Thompson reported he supports the portion of the ordinance that deals with the utility assistance program and the transparency, but feels overall the ordinance is not good policy, especially with the uncertain times in dealing with the coronavirus. He stated the budget will inevitably take a hit due to event cancellations which could have an impact on citizens and employees, but faced with the alternative, he will be supporting the ordinance moving forward.

Mayor Giles clarified that the proposed ordinance has never suggested it would lower utility rates, nor does the initiative. He stated utility rates will continue to be set by City Council. He reported in 2014 half a billion dollars in utility infrastructure bonds were on the ballot to build the Signal Butte Wastewater Treatment Plant and the expansion of the Greenfield Wastewater Treatment Plant, and in spite of those large projects Council held off on utility rate increases. He pointed out that Mesa's rates are less than Southwest Gas and Salt River Project rates. He advised the impacts of the initiative will eliminate quality-of-life programs throughout the City and greatly impact Public Safety. He presented the option of putting the ordinance on the ballot as a charter amendment.

Mayor Giles read the following submitted public comments in support of agenda Item 7-a: **(See Attachment 2)**

- Dan Taylor, a Mesa resident
- Matt Salmon, a Mesa resident
- Dana Kennedy, AARP State Director
- Phillip Austin, a Mesa resident
- Sally Harrison, Mesa Chamber of Commerce President & CEO
- Deanna Villanueva-Saucedo, a Mesa resident

Mayor Giles read the following submitted public comment in opposition to agenda Item 7-a: **(See Attachment 3)**

- Monica Michelizzi, a Mesa resident

Upon tabulation of votes, it showed:

AYES – Giles-Freeman-Duff-Heredia-Luna-Thompson  
NAYS – Whittaker

Mayor Giles declared the motion carried by majority vote.

9. Items from citizens present.

There were no items from citizens present.

10. Adjournment.

Without objection, the Regular Council Meeting adjourned at 7:01 p.m.

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JOHN GILES, MAYOR

ATTEST:

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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 16<sup>th</sup> day of March 2020. I further certify that the meeting was duly called and held and that a quorum was present.

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DEE ANN MICKELSEN, CITY CLERK



## PROCLAMATION AND DECLARATION OF EMERGENCY

WHEREAS, the City of Mesa (the “City”) is responding to the spread of the coronavirus disease 2019 (COVID-19) and working with federal, state, and local governmental authorities and with schools, businesses, non-profits, medical facilities, and faith groups within the City to combat and reduce the spread of the COVID-19 outbreak and to assist our community and its citizens with the effects of the COVID-19 outbreak, and this Proclamation is intended to further assist in these efforts.

WHEREAS, the World Health Organization declared a Public Health Emergency of International Concern on January 30, 2020, the United States Department of Health and Human Services declared a Public Health Emergency related to the COVID-19 outbreak on January 31, 2020, and the World Health Organization officially declared a pandemic due to COVID-19 on March 11, 2020.

WHEREAS, the Governor of the State of Arizona, Douglas A. Ducey, on March 11, 2020, declared that a State of Emergency exists in Arizona due to the COVID-19 outbreak and determined that the COVID-19 outbreak presents conditions that are, or are likely to be, beyond the control of services, personnel, equipment, and facilities of any single county, city, or town, and which requires the combined efforts of the State of Arizona and the political subdivisions.

WHEREAS, the President of the United States of America, Donald J. Trump, on March 13, 2020 found and proclaimed that the COVID-19 outbreak in the United States constitutes a national emergency.

WHEREAS, the Centers for Disease Control and Prevention, President Donald J. Trump, and the Arizona Department of Health Services have issued multiple recommendations to combat or reduce the spread of the COVID-19 outbreak, which include recommendations on avoiding social gatherings and the postponement of certain in-person events.

WHEREAS, pursuant to Arizona Revised Statute (A.R.S.) § 26-311, and Mesa City Code 1-14-1, the Mayor of the City of Mesa, hereby determines that there is the existence of conditions of disaster or of extreme peril to the safety of persons or property within the City caused by epidemic or other natural or man-made causes which are or are likely to be beyond the control of the services, personnel, equipment and facilities of any single county, city or town, and which require the combined efforts of the state and its political subdivisions; and therefore there exists a State of Emergency, and an Emergency and Local Emergency, as those terms are defined and/or used in A.R.S. § 26-301 and A.R.S. § 26-311(A) (collectively referred to as an “Emergency” or “State of Emergency”) within the City that endangers life or property.

NOW, THEREFORE, as Mayor of the City of Mesa, County of Maricopa, State of Arizona, pursuant to A.R.S. § 26-301, *et. seq.*, and Mesa City Code 1-14-1, I do hereby:



1. Declare and deem a State of Emergency exists in Mesa, Arizona, due to the COVID-19 outbreak.
2. Authorize the City Manager, or his designee, to take all lawful actions necessary to respond to this Emergency and to take all appropriate action to mitigate the effects and spread of COVID-19 and assist the City and its residents with the effects of the COVID-19 outbreak including, but not limited to: closing City public buildings and places that reasonably may be closed; limiting hours of operation of City public buildings and places; cancelling or postponing City events, programs, and classes; imposing reasonable screenings for access to, or to remain in, City public buildings or places. Further, the City Manager, or his designee, may revoke, postpone, or suspend issuance of any special event license (under Title 5, Chapter 1 of the Mesa City Code) that may endanger the health, safety, or general welfare of the public as determined by the City Manager, or his designee.
3. Authorize the City Manager, or his designee, to declare that procurements related to mitigating the effects or spread of COVID-19 or related to assisting the City and its residents with the effects of COVID-19 to be emergency procurements under Mesa City Charter Section 609(D) and authorize the suspension of procurement rules and policies for such procurements subject to the City Council's subsequent review as provided in Charter Section 609(D).
4. Authorize the City Manager, or his designee, to seek and obtain financial and other forms of aid, relief, and assistance from federal, state, and county authorities, to create utility assistance programs and/or limit utility shutoffs, and to provide necessary assistance in executing the City of Mesa Emergency Operations Plan to the extent required by the Emergency.

Pursuant to A.R.S. § 26-317, any person who violates any provision of this Proclamation or who knowingly fails or refuses to obey any lawful order or regulation issued pursuant to this Proclamation shall be guilty of a class 1 misdemeanor. Pursuant to A.R.S. § 26-311(B), additional proclamations may be issued in the future to impose all necessary regulations to preserve the peace and order of the City. This Proclamation shall be effective immediately and shall remain in effect until a termination of the Proclamation is filed with the City Clerk.

IN WITNESS THEREOF, I have hereunto set my hand and caused the seal of the City of Mesa, Arizona to be affixed this 17<sup>th</sup> day of March 2020.

  
John G. Giles, Mayor

Attest:  
  
DeeAnn Mickelsen, City Clerk





**CITY OF MESA, ARIZONA  
SECOND PROCLAMATION OF THE MAYOR  
UNDER THE DECLARATION OF EMERGENCY**

WHEREAS, the City of Mesa (“City”) is further responding to the spread of the coronavirus disease 2019 (“COVID-19”) in order to preserve the public peace, health, and safety of the City and its residents, and this Second Proclamation (“Second Proclamation”) is intended to provide additional assistance in these efforts.

WHEREAS, on March 11, 2020, the Governor of the State of Arizona, Douglas A. Ducey, declared that a State of Emergency exists in Arizona due to the COVID-19 outbreak and determined that the COVID-19 outbreak presents conditions that are, or are likely to be, beyond the control of services, personnel, equipment, and facilities of any single county, city, or town, and which requires the combined efforts of the State of Arizona and its political subdivisions.

WHEREAS, on March 13, 2020, the President of the United States of America, Donald J. Trump, declared a National Emergency concerning the COVID-19 outbreak.

WHEREAS, on March 15, 2020, the Governor of the State of Arizona, Douglas A. Ducey, announced the statewide closure of Arizona schools due to COVID-19.

WHEREAS, on March 17, 2020, the Mayor of the City of Mesa, John C. Giles, by proclamation declared a State of Emergency (the “Declaration of Emergency”) to protect the health, safety, and welfare of the City and its residents; the Declaration of Emergency is incorporated herein.

WHEREAS, the Centers for Disease Control and Prevention recommends implementing social distancing measures and the cancellation of certain gatherings.

WHEREAS, the President of the United States of America, Donald J. Trump, issued “The President’s Coronavirus Guidelines for America: 15 Days to Slow the Spread,” which recommends that people “avoid social gatherings in groups of more than 10 people, avoid eating or drinking at bars, restaurants, and food courts, and to use drive-thru, pickup, or delivery options.”

WHEREAS, the Mayor of the City of Mesa is authorized pursuant to Arizona Revised Statute (A.R.S.) §§ 26-301–317 and the Mesa City Code 1-14-1, following the Declaration of Emergency, to govern by proclamation and impose all necessary regulations to preserve the public peace, health or safety of the City and its residents.

WHEREAS, the COVID-19 outbreak constitutes an immediate threat to life, public health, safety, welfare and economic viability, the City has taken measures, including the issuance of the Declaration of Emergency, to protect the health and safety of the City’s residents, community and employees, from the rapidly evolving threat to public peace, health, safety and welfare.



NOW, THEREFORE, as Mayor of the City of Mesa, County of Maricopa, State of Arizona, pursuant to A.R.S. §§ 26-301–317, Mesa City Code 1-14-1, the Declaration of Emergency, and the above Recitals, I do hereby proclaim and order that:

1. Effective March 20, 2020 at 8:00 P.M. (MST) and continuing until a termination of this Second Proclamation is filed with the City Clerk:
  - A. All restaurants, nightclubs, bars and other similar businesses that serve food or alcoholic beverages to the public for on-site consumption shall be closed to the public except for sales for pick-up or delivery for off-site consumption.
  - B. Recreational and entertainment venues, such as comedy clubs, movie theaters, arcades, bowling alleys, skating rinks, and other similar businesses where people congregate for recreation or entertainment purposes shall be closed to the public.
  - C. Gymnasiums, fitness centers, recreation centers, indoor sports facilities, indoor exercise facilities, exercise studios, yoga studios, barre studios, and other similar businesses shall be closed to the public.
2. The restrictions in Section 1 of this Second Proclamation do not prohibit a proprietor, employee, contractor, vendor or supplier of a business from entering, exiting, using or occupying that place of business in their professional capacity.
3. The restrictions in Section 1 of this Second Proclamation do not apply to the following:
  - A. Grocery stores, markets, convenience stores, and other similar businesses and establishments that offer food and beverage for off-site consumption; provided that if seating for on-site public consumption exists, it is closed to the public for such use.
  - B. Pharmacies and drug stores.
  - C. Food banks and food pantries.
  - D. Cafeterias, commissaries, and restaurants located within health care facilities, nursing homes, shelters, group homes, places of worship, or similar facilities.
  - E. Cafeterias, commissaries, and restaurants located within or on the premises of educational institutions.
  - F. Other businesses and establishments not included in Section 1 of this Second Proclamation.





4. Pursuant to A.R.S. § 26-317, any person who violates Section 1 of this Second Proclamation or who knowingly fails or refuses to obey any lawful order or regulation issued pursuant to this Second Proclamation shall be guilty of a class 1 misdemeanor. Any violation which is continuing in nature shall constitute a separate offense on each date the violation continues, unless otherwise provided herein.
5. I urge all business owners and all leaders of churches, places of worship, faith based groups, and social organizations to establish social distancing practices; I encourage citizens to avoid social gatherings of more than ten (10) people; and, finally, I urge all our residents to practice social distancing in their daily lives.
6. As the public health crisis related to COVID-19 continues to develop, additional proclamations may be issued.
7. This Second Proclamation shall be effective immediately and shall remain in effect until a termination of the Second Proclamation is filed with the City Clerk.

IN WITNESS THEREOF, I have hereunto set my hand and caused the seal of the City of Mesa, Arizona to be affixed this 19<sup>th</sup> day of March 2020.

  
\_\_\_\_\_  
John C. Giles, Mayor

Attest:

  
\_\_\_\_\_  
Dee Ann Mickelsen, City Clerk





## Lisa Anderson

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**From:** DeeAnn Mickelsen  
**Sent:** Monday, March 16, 2020 2:53 PM  
**To:** Lisa Anderson  
**Subject:** FW: public comment

This is public comment to be included as an attachment to item 7a tonight.

**From:** Councilmember Luna <Councilmember.Luna@mesaaz.gov>  
**Sent:** Monday, March 16, 2020 11:04 AM  
**To:** DeeAnn Mickelsen <Dee.Ann.Mickelsen@mesaaz.gov>; Chris Brady <Chris.Brady@mesaaz.gov>  
**Subject:** Fwd: public comment

Public Comments in support of 7a 20-2049 for the record.

Sent from my iPhone

Begin forwarded message:

**From:** Dan Taylor <[daniel.taylor@cox.net](mailto:daniel.taylor@cox.net)>  
**Date:** March 16, 2020 at 10:58:55 AM MST  
**To:** District 5 <[District5@MesaAZ.gov](mailto:District5@MesaAZ.gov)>  
**Subject:** public comment

Here are the comments I was planning to make at the Monday, March 16, 2020 Mesa City Council Meeting.

Mayor and Council members,

I am here this evening in support of the City of Mesa replacing the current Utilities Department section of the Mesa Code with a new section that will enable the city to continue to have reliable and affordable utilities for our community. Before retiring I was the Executive Director of East Valley Adult Resources for 25 years. In that time our nonprofit organization which provide senior centers, social services, meals and housing assisted 1000's of older adults on fixed incomes who spent over 50% of their income on housing and utilities. Utility assistance is difficult to find and although the City has had an assistance program the needs continue to grow at a rapid pace. I am pleased that a section of this proposed ordinance deals with utility assistance programs specifically a low-income senior discount that will formalize this assistance and make permanent the process. This will provide a safety net for our most vulnerable older adult population, so they do not have a to make a choice between utilities and basic needs like food and medical bills

Nonprofits and other organizations have always recognized the importance of diverse funding sources and the City run utilities provide funds for public safety

and other critical services for Mesa Residents. This innovative approach is why Mesa can continue to grow during what can be challenging times.

Dan Taylor  
3860 N. Barron  
Mesa, AZ 85207  
480.221.3227

**From:** ~~Matt Salmon~~ <mattsalmon@gmail.com>

**Date:** March 16, 2020 at 1:54:20 PM MST

**To:** Council <council@MesaAZ.gov>

**Subject: Fwd: Mesa Comments**

I want to take this opportunity to thank the Mesa City Council for their hard work on the issue of Reliable and Affordable Utilities, including their commitment to fiscal responsibility, and for their efforts to keep Mesa affordable. The City of Mesa is one of the most affordable cities in the valley. Mesa has no primary property tax, no food tax, and the lowest sales tax revenue per capita. Overall, Mesa has the third lowest general fund spending per capita in the entire region. Our city has done an excellent job being fiscally responsible and this proposal is good policy to protect the taxpayers. As a long time Mesa resident, a father and grandfather of Mesa residents, I am proud of how this council is addressing such important issues to keep our city one of the most desirable places to live for ALL residents.

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**From:** Kennedy, Dana M. <dkennedy@aarp.org>

**Sent:** Monday, March 16, 2020 2:37 PM

**To:** [council@mesaaz.gov](mailto:council@mesaaz.gov)

**Cc:** Jennings, Steve <SJennings@aarp.org>

**Subject:** Agenda Item 7A020-0249

AARP Arizona Commentary

Dana M. Kennedy, MSW

Arizona AARP State Director

City Council,

City of Mesa

Meeting of March 16, 2020

City Council Consent Agenda Item 7A – 20-0249

Thank you, Mayor Giles and Mesa City Council, for your efforts to help the city's most vulnerable while keeping Mesa an affordable place to live. This ordinance strikes the right balance between improving transparency in government spending while protecting the city's budget and preventing potential cuts to public safety.

AARP currently has 67,665 members in the City of Mesa. AARP's top priorities are protecting long term financial and health security and helping people age in their own homes. We believe that the ordinance's efforts to reduce the monthly water service charge and increase funding for the affordable utility assistance program for seniors and low-income individuals help achieve these goals. In addition, we support your efforts to prevent shutoffs during excessive heat warnings – something that is critically important in ensuring the safety of our most vulnerable.

For many years, Mesa has been a great place to live particularly for Arizonans 50 and older. "Reliable and affordable utilities" helps make sure that it stays that way. We encourage you to help seniors and those in need by passing this ordinance. Thank you.

Dana Marie Kennedy  
State Director, AARP Arizona

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From: Phillip Austin <attyaustin@gmail.com>

Date: March 16, 2020 at 3:16:37 PM MST

To: Mayor Giles <Mayor.Giles@mesaaz.gov>, councilmember.duff@mesaaz.gov, Councilmember Heredia <Councilmember.Heredia@mesaaz.gov>, Councilmember Luna <councilmember.luna@mesaaz.gov>, councilmember.freeman@mesaaz.gov, councilmember.whittaker@mesaaz.gov, councilmember.thompson@mesaaz.gov, chris.brady@mesaaz.gov

Subject: Support for New City of Mesa ordinance titled "Water Resource, Energy Resources, and Environmental Management and sustainability Departments"

Mayor Giles and members of the Mesa City Council:

As a lifelong resident of Mesa and a member of a family, who has owned businesses in the City for almost eighty years, I have witnessed the efficient and effective manner in which the City leadership has managed its utility system and provided the full gamut of services, including public safety services, to all of its residents.

As Chairman of the East Valley Hispanic Chamber of Commerce(EVHCC), I interact with many businesses, who have or are interested in locating to Mesa and who comment that Mesa's ability to provide essential and quality of life services at comparatively reasonable rates is a key factor in the decision to locate in Mesa.

I support the passage of this Ordinance, the implementation of which will enhance the City's ability to effectively provide utility services and, at the same time, enhance business, family and educational opportunities for current and prospective residents.

Phillip A. Austin

The Law Office of Phillip A. Austin

Chairman, East Valley Hispanic Chamber of Commerce

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**From:** Sally Harrison <[sharrison@mesachamber.org](mailto:sharrison@mesachamber.org)>

**Date:** March 16, 2020 at 4:06:12 PM MST

**To:** Council <[council@MesaAZ.gov](mailto:council@MesaAZ.gov)>

**Subject:** Statement

Statement for tonight's City Council Meeting:

"As the voice of the city's business community, the Mesa Chamber would like to express our support for the Reliable and Affordable Utilities ordinance. This ordinance helps to protect our most vulnerable residents, while ensuring the City continues to be an affordable place to live and work.

Mesa businesses want and need stability, especially during these tumultuous economic times. We are concerned that other potential efforts to address the City's utility transfer will ultimately lead to a property tax and a food tax. That would not be business-friendly and would be counterproductive to job growth.

We appreciate the Council's leadership and wholeheartedly support this ordinance."

Sally Harrison

President & CEO, Mesa Chamber of Commerce

**Lisa Anderson**

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**From:** DeeAnn Mickelsen  
**Sent:** Monday, March 16, 2020 7:43 PM  
**To:** Lisa Anderson  
**Subject:** Fwd: Thank You

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**From:** Mayor Giles <Mayor.Giles@MesaAZ.gov>  
**Sent:** Monday, March 16, 2020 7:04:49 PM  
**To:** DeeAnn Mickelsen <Dee.Ann.Mickelsen@mesaaz.gov>  
**Subject:** Fwd: Thank You

Sent from my iPad

Begin forwarded message:

**From:** Deanna Villanueva-Saucedo <villasauced@gmail.com>  
**Date:** March 16, 2020 at 6:22:54 PM MST  
**To:** Council <council@MesaAZ.gov>  
**Subject:** Thank You

Mayor and Members of Mesa City Council,

As a life long resident of Mesa (District 4), I urge you to approve item 7a on this evening's City Council agenda. For many years I lived in the City of Mesa's core utility service area and my parents still reside in the same home. This action embodies the best of Mesa, being proactive in order to preserve the affordable, positive quality of life in our community. Mesa has so many points of pride in our community from a fiscal viewpoint - paying off the stadiums early, solid credit rating, national ranking for affordability, no food tax, no primary property tax - I don't want to see any of that change in order to preserve public safety and other city services. Again, I urge you to approve item 7a and, more importantly, thank you for being proactive and thoughtful.

Peace,  
Deanna Villanueva-Saucedo

**Lisa Anderson**

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**From:** Monica Michelizzi <mc3mit@gmail.com>  
**Sent:** Monday, March 16, 2020 3:50 PM  
**To:** Lisa Anderson  
**Subject:** Re: Public Hearing information  
**Attachments:** Mayor Giles.docx

Lisa,

Please find attached my comments for the public hearing of the below ordinance. I would like to attend in person. However, given the current health emergency and CDC guidelines, it does not seem prudent.

Monica Michelizzi, 5559 East Gable, Mesa

On Mon, Mar 16, 2020 at 9:01 AM Lisa Anderson <[Lisa.Anderson@mesaaz.gov](mailto:Lisa.Anderson@mesaaz.gov)> wrote:

I think this is the item you are speaking of. It is on the agenda to discuss, receive public comment, and take action.

7-a Repealing Mesa City Code Title 3, Chapter 3 (“Utility Departments”) and replacing it with a new Title 3, Chapter 3 titled “Water Resources, Energy Resources, and Environmental Management & Sustainability Departments.” The new language includes the creation of a Utility Assistance Program, the permitted uses for the utility system revenues, and the permitted transfer of Utility Funds, primarily for Public Safety. **(Citywide)**

Thank you,

*Lisa Anderson*

Assistant City Clerk | City of Mesa Clerk’s Office

480-644-3085

[Lisa.Anderson@Mesaaz.gov](mailto:Lisa.Anderson@Mesaaz.gov)

**From:** Monica Michelizzi <[mc3mit@gmail.com](mailto:mc3mit@gmail.com)>  
**Sent:** Monday, March 16, 2020 8:37 AM  
**To:** Lisa Anderson <[Lisa.Anderson@mesaaz.gov](mailto:Lisa.Anderson@mesaaz.gov)>  
**Cc:** DeeAnn Mickelsen <[Dee.Ann.Mickelsen@mesaaz.gov](mailto:Dee.Ann.Mickelsen@mesaaz.gov)>  
**Subject:** Re: Public Hearing information

Given the fact that all public gatherings are supposed to be cancelled, i am just going to submit my comments. Could you let me know what the agenda item is for the public hearing on the ordinance?

On Mon, Mar 16, 2020, 8:23 AM Lisa Anderson <[Lisa.Anderson@mesaaz.gov](mailto:Lisa.Anderson@mesaaz.gov)> wrote:

Monica,

As of today, Mesa does not have a social distancing procedure, nor a Covid-19 policy. If something becomes available in the future, I will pass that information along to you.

Thank you,

*Lisa Anderson*

Assistant City Clerk | City of Mesa Clerk's Office

480-644-3085

[Lisa.Anderson@Mesaaz.gov](mailto:Lisa.Anderson@Mesaaz.gov)



**From:** Monica Michelizzi <[mc3mit@gmail.com](mailto:mc3mit@gmail.com)>  
**Sent:** Friday, March 13, 2020 10:09 AM  
**To:** Lisa Anderson <[Lisa.Anderson@mesaaz.gov](mailto:Lisa.Anderson@mesaaz.gov)>  
**Subject:** Re: Public Hearing information

Lisa,

Has Mesa instructed any social distancing procedures for the City Council meetings? Do you have a Covid-19 policy for public meetings?

Thanks,

Monica

On Mon, Feb 10, 2020 at 9:18 PM Monica Michelizzi <[mc3mit@gmail.com](mailto:mc3mit@gmail.com)> wrote:

Thank you Lisa. I appreciate it.

Monica Michelizzi

On Mon, Feb 10, 2020 at 7:10 AM Lisa Anderson <[Lisa.Anderson@mesaaz.gov](mailto:Lisa.Anderson@mesaaz.gov)> wrote:

Monica,

The information I have received is you can submit your comments to me and I will make sure the City Clerk has them to be read into the record at the meeting.

Thank you,

*Lisa Anderson*

Assistant City Clerk | City of Mesa Clerk's Office

480-644-3085

[Lisa.Anderson@Mesaaz.gov](mailto:Lisa.Anderson@Mesaaz.gov)

**From:** Monica Michelizzi <[mc3mit@gmail.com](mailto:mc3mit@gmail.com)>

**Sent:** Thursday, February 06, 2020 11:30 AM

**To:** Clerk Info <[Clerk.Info@MesaAZ.gov](mailto:Clerk.Info@MesaAZ.gov)>

**Subject:** Public Hearing information

Hello,

My understanding is that an ordinance that I have an interest in will be on the City Council agenda for a public hearing in the next couple of weeks. I may be unable to attend.

Could you please tell me how I can have my comments read into the public record?

Thank you in advance for the information.

Monica Michelizzi

[mc3mit@gmail.com](mailto:mc3mit@gmail.com)

March 16, 2020

Mayor Giles, Councilmembers. I am Monica Michelizzi – Mesa, AZ. I drafted the VoteYes on Affordable Utilities initiative. The reason for the VoteYes on Affordable Utilities initiative is that Mesa Utility Rates are too high. I talk with my neighbors who moved to Mesa from Gilbert. Their Mesa utility bill is double what it was in Gilbert. I have retired neighbors who have kept charts of how much their Mesa utility bill has increased over the last 6 years. When City Council tells them that Mesa Utility Rates are not too high. It sounds as if you are out of touch and that you do not care about the problems faced by everyday people.

The purpose of the VoteYes on Affordable Utilities Initiative is to stabilize utility rates and reduce the amount of future rate increases by placing limits on how much Utility Revenue Mesa can use to balance its general fund budget. Utility revenue should first be used to operate, maintain, and upgrade the utility system. The City's transfer of a full one-third of all Mesa utility revenue leaves the Utility system without sufficient resources. Mesa makes up this deficit by issuing Utility bonds, which requires increases in our Utility Rates to pay the debt service on those bonds.

With that background my comments on the City proposed ordinance are as follows:

- I support a separate accounting for Utility Revenue. It adds transparency.
- I oppose Section 3-3-4(a) of the proposed ordinance because it will cause future City Councils to artificially raise Utility Rates. In contrast, the language of the VoteYeson Affordable Utilities Initiative requires Utility Rates to reasonably correspond to what is needed operate the Utility System. I believe the language of the Initiative better protects Mesa residents.
- I oppose a 33% transfer of Utility Revenue to the general fund. My understanding is that Mesa intends to issue a significant amount of Utility debt in the next 5 years. If the transfer percentage is not reduced, Mesa will significantly increase utility rates to pay the debt service on those bonds. Mesa Utility rates are simply too high as it is.

Thank you in advance for your consideration of my comments. I am sorry that I am unable to deliver them in person. However, given the current health emergency and the CDC guidelines, attending a public meeting does not seem prudent at this time.