

COUNCIL MINUTES

March 23, 2000

The City Council of the City of Mesa met in a Study Session in the lower level meeting room of the Council Chambers, 57 East 1st Street, on March 23, 2000 at 7:33 a.m.

COUNCIL PRESENT

Mayor Wayne Brown
Jim Davidson
John Giles
Keno Hawker
Bill Jaffa
Dennis Kavanaugh
Pat Pomeroy

COUNCIL ABSENT

None

STAFF PRESENT

Mike Hutchinson
Kevin Adam
Don Ayers
Wayne Balmer
Kathy Barrett
Neal Beets
Denise Bleye
Jamie Brennan
Dennis Compton
Linda Crocker
Stacey Damp
Bob DeLeon
Jack Friedline
Michele Gormley
Pat Granillo
Barbara Jones
Wayne Korinek
Frank Mizner
Keith Nath
Joe Padilla
Bryan Raines
Andrea Rasizer
Tom Remes

STAFF PRESENT (CONT.)

Jenny Sheppard
Jan Strauss
Mindy White
Others

OTHERS PRESENT

Pat Gilbert
Barrett Marson
Kathy Tolman
Others

1. Update on the preparation of the FY/00/01 budget.

City Manager Mike Hutchinson informed the Council that staff has been working on the preparation of a balanced preliminary budget, which will be presented to the Council over the next couple of months for discussion and input.

Mr. Hutchinson stated that staff has estimated that the loss of sales tax revenue resulting from the successful passage of Proposition 200 will be approximately \$7.6 million for FY00-01. Mr. Hutchinson commented that based on the fact that one-third of the City's sales tax revenue is pledged to the half-cent Quality of Life (QOL) program, staff is working to develop a budget that shares the \$7.6 million impact with two-thirds of the reducing (\$5.1 million) applied to the Operating Budget, and the one-third applied to (\$2.5 million) the QOL program. Mr. Hutchinson advised that staff wil

continue to work on the development of a balanced (operating) FY00-01 budget and added that Council input and direction regarding revisions to the QOL Program will be solicited.

Mr. Hutchinson also informed the Council that over the next few weeks staff will also be working to adjust the City's Capital Improvement Plan in a variety of areas, most notably to reflect the failure of the three bond questions relating to parks, stormwater and capital improvements. Mr. Hutchinson encouraged the members of the Council to contact him regarding any specific items of interest they would like to see reflected in the preliminary budget.

Mr. Hutchinson briefly outlined a tentative schedule for the upcoming budget-related activities and discussed staff's intention to solicit final adoption of the budget by June 26, 2000.

2. Hear a legislative update.

Assistant to the City Manager Jeff Martin and Government Relations Assistant Kevin Adam addressed the Council relative to this agenda item.

Mr. Martin stated that staff has pursued partnerships with the cities of Phoenix, Tucson and Glendale and on a number of issues and stated the opinion that this cooperative effort has positively impacted the City of Mesa in a number of important areas.

Mr. Martin discussed the Local Sales Tax Authority, known as the Uniformity Issue, and said that the Bill has basically died and in its place Senate Bill 1513 which would extend the life of the Model City Tax Code Commission, which Vice Mayor Giles services on, for another five years. Mr. Martin commented that this was staff's goal from the beginning and stated satisfaction with the outcome.

Mr. Martin also commented on Highway Project Advancement Notes and said that the City of Mesa introduced this legislation which will make it easier for the City to do some of the loan agreements that are being put together with the Department of Transportation. Mr. Martin said this proposal will also save the City money and allow the City to issue shorter term notes.

Mr. Martin reported on the Electric Deregulation legislation and said that the Bill passed the House and is on the way to the Governor for his signature. Mr. Martin advised that the Bill does contain the provisions that were requested by the City of Mesa and is structured in a manner that will not limit the Council's authority in terms of setting local rates. Mr. Martin noted that the previous requirement to maintain rates at or below those charged by SRP was deleted and expressed the opinion that the results are favorable.

Mr. Adam addressed the Council on the Airport Protection issue and said that the City was successful in amending House Bill 2523, which would require the public disclosure of airports to potential home owners in the vicinity of that airport. Mr. Martin commented on the fact that last year legislation was passed which required notification on the sale of new homes and said that the current Bill will extend that notification to include the sale of existing homes. Mr. Martin said that the Bill is ready for a final vote in the Senate.

Mr. Adam also discussed legislation dealing with group homes, House Bill 2113, and informed the Council that Representative Lori Daniels has attempted to get this legislation approved by the legislature for the past three years and discussed the efforts expended by the City to work with Ms. Daniels in achieving this goal. Mr. Adam said that it has been extremely difficult to solicit votes on this Bill and explained that the legislation would place requirements on group homes as part of the

contracts they enter into with State agencies, and said that the result would be increased enforcement activity and will address many of the concerns expressed by the neighbors of group homes over the years. Mr. Adam also discussed efforts to amend the Bill to allow municipalities to participate in this oversight and said he will keep the Council updated on this legislation.

Mr. Martin addressed the Council relative to the Telecommunications Bill to limit the City's authority in this area and stated the opinion that the legislation will be approved. Mr. Martin reported that the proposal was adopted by the legislature and is on its way to the Governor. Mr. Martin expressed concern relative to the fact that the Bill limits the City's ability to require the industry to bring the streets back up to their original condition. Mr. Martin commented that the industry continues their efforts to decrease the City's authority in this area.

Mr. Martin provided a brief overview of the Lobbyist Registration Gift Ban and said that the legislature is trying to require cities to register individuals who want to lobby the members of the City Council and is also trying to implement a gift ban. Mr. Martin stated the opinion that this area should be decided by the Council rather than the legislature and said that he will keep the Council updated on the proposal's status.

Mr. Adam commented on Local Firearms and Ammunition Regulations, House Bill 2095, and said that the legislation would prohibit cities from enacting any ordinance, rule or tax relating to the manufacture, transportation, possession, carrying, sale or use of firearms or ammunition. Mr. Adam advised that this all-compassing piece of legislation has been slowed down in the Senate and discussed efforts that are underway to amend it. Mr. Adam noted that if this proposal is passed, individuals who have a State permit to carry a concealed weapon would be able to do so in parks. Mr. Adam informed the Council that a similar Bill was vetoed by the Governor last year.

Mr. Adam updated the Council on Website Notices of Public Meetings, House Bill 2003, and said that this Bill requires that all public meetings be posted on a website if the community has an active website. Mr. Adam commented on the fact that websites do crash and questions whether this would have the effect of impeding business. Mr. Adam noted that on the House side, an amendment was tacked on that would make this voluntary but when it reached the Senate, it was changed back to mandatory. Mr. Adam advised that the Bill will go to conference and decide whether in its final form, if passed, it will be voluntary or mandatory.

Mr. Adam discussed Sales Tax Contracting, House Bill 2338, would change the point of taxation for the State sales tax from the point of use to the point of sales of material. Mr. Adam stated that the communities that have a lot of development would probably be impacted while the communities that contain a lot of warehouses would benefit. Mr. Adam added that the Department of Revenue has estimated that the State would incur a net loss of anywhere from \$95 to \$195 million a year by enacting this legislation. Mr. Adam said that this would also impact State Shared Revenues and discussed concern that if the legislation is adopted on the State level, effort will be initiated to require local communities to comply.

Mr. Martin commented on the Billboard Bill, which would require going to the Superior Court rather than a local court, in order to have a billboard removed. Mr. Martin added that it also limits the fine violation amount to \$2500 per violation as opposed to the current \$2500 per day fine limit that can be assessed. Mr. Martin reported that the Bill has passed the legislature and is with the Governor and discussed staff's efforts to persuade the Governor to veto the proposal.

Mayor Brown thanked Mr. Martin and Mr. Adam for their presentation.

3. Acknowledge receipt of minutes of various boards and committees.

- a. Historic Preservation Committee meeting held March 9, 2000.

It was moved by Councilmember Kavanaugh, seconded by Vice Mayor Giles, that receipt of the minutes for the above listed committee be acknowledged.

Carried unanimously.

4. Hear reports on meetings and/or conferences attended.

Mayor Brows stated that there were no meetings and/or conferences attended to report on at this time.

5. Scheduling of meetings and general information.

City Manager Mike Hutchinson advised that the meeting schedule is as follows:

Monday, April 3, 2000, 5:45 p.m. - Regular Council Meeting

Thursday, April 6, 2000, 7:30 a.m. - Council Study Session

6. Prescheduled public opinion appearances. (Maximum of three speakers for three minutes per speaker).

Mayor Brown stated that there were no prescheduled public opinion appearances.

7. Items from citizens present. (Maximum of three speakers for three minutes per speaker).

Mayor Brown stated that there were no items from citizens present.

8. Adjournment.

Without objection, the Study Session adjourned at 8:37 a.m.

WAYNE BROWN, MAYOR

ATTEST:

BARBARA JONES, CITY CLERK

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Study Session of the City Council of Mesa, Arizona, held on the 23rd day of March, 2000. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this ____ day of _____ 2000

BARBARA JONES, CITY CLERK