

# COUNCIL MINUTES

October 20, 2000

The City Council of the City of Mesa met in a Special Council Meeting in the lower level meeting room of the Council Chambers, 57 East 1st Street, on October 20, 2000 at 8:00 a.m.

## COUNCIL PRESENT

Mayor Keno Hawker  
Jim Davidson  
Bill Jaffa  
Dennis Kavanaugh  
Claudia Walters  
Mike Whalen

## COUNCIL ABSENT

Pat Pomeroy

## OFFICERS PRESENT

Mike Hutchinson  
Neal Beets  
Barbara Jones

Mayor Hawker excused Councilmember Pomeroy from the meeting.

### 1. Consider the following resolutions:

- a. Receiving a report from the Finance Director concerning the tabulation of bids received for the City's General Obligation Bonds, Series 2000; to consider and, if deemed advisable, to adopt a resolution authorizing the issuance of such bonds – Resolution No. 7575.

Finance Director Larry Woolf addressed the Council relative to this agenda item and provided a recap of the tabulation of bids with regard to the General Obligation Bonds, the Utility System Revenue Bonds and the Highway User Revenue Bonds (See Attachment). Mr. Woolf explained that staff received many competitive bids and that there was keen interest generated by the various financial institutions.

Mr. Woolf advised that the winning proposal was submitted by Prudential Securities, Incorporated with an average interest rate of 5.2226%.

In response to a question from Mayor Hawker relative to Section 18, Emergency Clause, Fred Rosenfeld, who serves as the City's Bond Counsel, clarified that case law dictates that subsequent to a City election, every action initiated by a municipality is regarded as administrative rather than legislative and that it is not subject to the referendum provisions. Mr. Rosenfeld added that an emergency clause is traditionally included as part of the legal language in the bond documents.

Vice Mayor Davidson emphasized that as a result of special bond elections held in 1987, 1996 and 2000, the City obtained voter approval to authorize the issuance and sale of the General Obligation Bonds to fund Public Safety, Fire, Parks and Recreation and library projects.

Mr. Woolf discussed the ratings of the three bonds.

It was moved by Vice Mayor Davidson, seconded by Councilmember Kavanaugh, that Resolution No. 7575 be adopted.

Upon tabulation of votes, it showed:

AYES - Hawker-Davidson-Jaffa-Kavanaugh-Walters-Whalen  
NAYS - None  
ABSENT - Pomeroy

Mayor Hawker declared that the motion carried unanimously by those present and Resolution No. 7575 adopted.

- b. Receiving a report from the Finance Director concerning the tabulation of bids received for the City's Street and Highway User Revenue Bonds, Series 2000; to consider and, if deemed advisable, to adopt a resolution authorizing the issuance of such bonds – Resolution No. 7576.

Mr. Woolf advised that the winning proposal was submitted by Daine Rauscher with an average interest rate of 5.2889.%.

It was moved by Vice Mayor Davidson, seconded by Councilmember Kavanaugh, that Resolution No. 7576 be adopted.

Upon tabulation of votes, it showed:

AYES - Hawker-Davidson-Jaffa-Kavanaugh-Walters-Whalen  
NAYS - None  
ABSENT - Pomeroy

Mayor Hawker declared that the motion carried unanimously by those present and Resolution No. 7576 adopted.

- c. Receiving a report from the Finance Director concerning the tabulation of bids received for the City's Utility Systems Revenue Bonds, Series 2000; to consider and, if deemed advisable, to adopt a resolution authorizing the issuance of such bonds – Resolution No. 7577.

Mr. Woolf assured the Council of the City's capacity to issue the subject bonds in the future and provided an analysis of a coverage test, a tool utilized to measure debt service.

It was moved by Vice Mayor Davidson, seconded by Councilmember Kavanaugh, that Resolution No. 7577 be adopted.

Councilmember Jaffa reiterated the fact that the purpose of the issuance and sale of the bonds is to fund various Capital Improvement Projects (CIP) and that the repayment of the bonds is derived through various governmental agencies such as the State and Federal government and also City development and impact fees.

In response to a question from Vice Mayor Davidson, Assistant to the City Manager Bryan Raines clarified that Mesa currently has \$354 million in remaining bond authorization, which includes \$74 million for the Highway User Revenue Bonds, \$181 million for the Utility Revenue Bonds and \$98 million for the General Obligation Bonds. Mr. Raines added that the next City election is scheduled for March 2002.

Mayor Hawker emphasized that the proposed request for the issuance and sale of the subject bonds is the result of prior authorization and added that the City is not selling bonds that were not approved by Mesa's voters.

In response to a question from Councilmember Walters, Mr. Woolf advised that as of July 1<sup>st</sup>, 2000, the City has retired approximately \$35,000,000 in bond debt.

Mr. Raines outlined the various projects to be funded by the bond revenues.

In response to a question from Vice Mayor Davidson, Mr. Raines commented that there has been a delay in the distribution of the budget books to the Council due to the fact revisions are being implemented to make them more reader friendly. Mr. Raines added that the budget books will be available on line through the City's web site.

Upon tabulation of votes, it showed:

AYES - Hawker-Davidson-Jaffa-Kavanaugh-Walters-Whalen  
NAYS - None  
ABSENT - Pomeroy

Mayor Hawker declared the motion carried unanimously by those present and Resolution No. 7577 adopted.

Mayor Hawker thanked everyone for their input.

2. Introduction of the following Ordinances and setting November 6, 2000 as the date of the public hearing on these Ordinances:

- \*a. Amending Sections 11-1-6 revising the definition of "school" and amending Sections 11-6-2, 11-6-3, 11-7-3, 11-7-4, 11-8-3, 11-8-4, 11-8-5, 11-8-6, and 11-13-2 regarding a Council Use Permit requirement for schools in the Commercial and Industrial Zoning Districts, and in all Town Center Districts.
- \*b. Amending Sections 11-18-8, and 9-6-2 to establish a fee for Preliminary Plat approvals by the Planning and Zoning Board.
- \*c. **Z00-55** The southwest corner of Ellsworth Road and Guadalupe Road. Rezone from R1-43 to R1-6-PAD, R-2, R-3 and C-2 with a DMP overlay (130± acres). This case involves the development of a patio home and single family subdivision with future multi-residence and commercial uses.

- \*d.       **Z00-58**     South and east of the southeast corner of Crismon Road and Broadway Road. Rezone from R1-9 (conceptual R-3) to R-3 and Site Plan Review (11± acres). This case involves the development of an apartment complex.
- \*e.       **Z00-59**     The southeast corner of Southern Avenue and Parkcrest. Rezone from R1-15 (conceptual O-S) to O-S and Site Plan Review (2± acres). This case involves the development of an office complex
- \*f.       **Z00-60**     2151 East Virginia. Rezone from AG to R1-43 (4± acres). This case involves the development of four single residence lots.
- \*g.       **Z00-61**     2321 East University Drive. Rezone from O-S to O-S PAD (.7± acres). This case involves the establishment of office condominiums for the two office buildings currently under construction.
- \*h.       **Z00-62**     731 North Alma School. Rezone from R1-6 to O-S (1.2 acres). This case is to allow an existing residential property to be converted into an office site.
- \*i.       **Z00-64**     425 South Power Road. Rezone from R1-6 and R-4 to C-2 (4± acres). This case involves the expansion of an existing resort conference center.
- \*j.       **Z00-66**     The 2600 block of south Ellsworth Road located within the Augusta Ranch Development. Rezone from R-3 DMP to R-3 PAD DMP and Site Plan Review (13± acres). This case involves the development of a townhouse project.
- \*k.       **Z00-68**     The southeast corner of Sossaman Road and University Drive. Rezone from R1-9 to R-2 PAD and Site Plan Review (16± acres). This case involves the development of patio homes.
- \*l.       **Z00-69**     East (approximately 660') of the southeast corner of Sossaman Road and University Drive (24± acres). Rezone from R1-43 to R1-6 PAD and Site Plan Review. This case involves the development of single residence homes.
- \*m.       **Z00-71**     5005 East McKellips. Site Plan Modification (7± acres). This case involves the development of a restaurant in an existing industrial project.
- \*n.       **Z00-75**     Northwest corner of Greenfield Road and Southern Avenue. Rezone from C-2 to C-1 and O-S PAD and Site Plan Modification (20± acres). This case involves the development of commercial and office uses.

It was moved by Councilmember Walters, seconded by Councilmember Jaffa, that the above-listed Ordinances be introduced and that November 6, 2000 be set as the date of the public hearing on such Ordinances.

Councilmember Jaffa advised that with regard to Z00-55, he has concerns regarding the density of the proposed residential development and its proximity to Williams Gateway Airport.

In response to a question from Councilmember Kavanaugh, Planning Director Frank Mizner explained that due to the revised schedule for the introduction of the Ordinances, staff is currently in the process of notifying the applicants, zoning attorneys, architects and interested residents of the November 6, 2000 public hearing.

Upon tabulation of votes, it showed:

AYES - Hawker-Davidson-Jaffa-Kavanaugh-Walters-Whalen  
NAYS - None  
ABSENT - Pomeroy

Mayor Hawker declared the motion carried unanimously by those present.

City Manager Mike Hutchinson stated that the Thursday, October 26, 2000 Study Session has been cancelled.

3. Adjournment.

Without objection, the Special Council Meeting adjourned at 9:26 a.m.

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KENO HAWKER, MAYOR

ATTEST:

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BARBARA JONES, CITY CLERK

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Special Council Meeting of the City Council of Mesa, Arizona, held on the 20th day of October 2000. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2000.

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BARBARA JONES, CITY CLERK

Pag  
Attachment

**CITY OF MESA, ARIZONA**

"Attachment"

**GENERAL OBLIGATION BONDS  
\$36,500,000**

<b>Prudential Securities Incorporated</b>	<b>5.2226%</b>
U.S. Bancorp Piper Jaffray Inc.	5.2521%
Banc One Capital Markets, Inc.	5.2708%
Dain Rauscher	5.2713%
Merrill Lynch & Co.	5.2743%
First Union National Bank	5.2998%
William R. Hough & Co.	5.3038%
PaineWebber, Inc.	5.3095%
J.P. Morgan Securities, Inc.	5.3236%
Legg Mason	5.3821%

**UTILITY SYSTEM REVENUE BONDS  
\$69,200,000**

<b>Prudential Securities Incorporated</b>	<b>5.2486%</b>
Lehman Brothers	5.2532%
U.S. Bancorp Piper Jaffray Inc.	5.2547%
A.G. Edwards & Sons	5.2551%
Merrill Lynch & Co.	5.2620%
Banc One Capital Markets, Inc.	5.2687%
William R. Hough & Co.	5.2745%
Goldman Sachs	5.2758%
J.P. Morgan Securities, Inc.	5.2933%
Paine Webber, Inc.	5.3069%
First Union National Bank	5.3286%
Legg Mason	5.3529%

**HIGHWAY USER REVENUE BONDS  
\$20,000,000**

<b>Dain Rauscher</b>	<b>5.2899%</b>
Banc One Capital Markets, Inc.	5.3005%
Prudential Securities Incorporated	5.3013%
U.S. Bancorp Piper Jaffray Inc.	5.3094%
Merrill Lynch & Co.	5.3248%
William R. Hough & Co.	5.3425%
PaineWebber, Inc.	5.3598%
Legg Mason	5.4321