



# 2005 CITIZEN BOND COMMITTEE

October 26, 2005

The 2005 Citizen Bond Committee met in the lower level meeting room of the Council Chambers, 57 East 1st Street, on October 26, 2005 at 5:35 p.m.

## COMMITTEE PRESENT

Eric Jackson, Chairman  
Craig Ahlstrom  
Beth Coons  
Linda Flick  
Pat Gilbert  
Robert Hisserich  
Greg Holtz  
LaShawn Jenkins  
Albert McHenry  
Judy O'Neill  
Bob Saemisch  
Deanna Villanueva-Saucedo

## COMMITTEE ABSENT

None

## STAFF PRESENT

Anthony Araza  
Tim Barnard  
Assistant Fire Chief Gary Bradbury  
Debra Dollar  
Assistant Police Chief G. T. Fowler  
Eric Norenberg  
Bob White

Committeemembers Flick and O'Neill arrived at 5:55 p.m., and Committeemember Jenkins arrived at 6:15 p.m.

(Items on the agenda were discussed out of order, but for purposes of clarity will remain as listed on the agenda.)

### 1. Approval of minutes of previous meetings.

*It was moved by Committeemember Ahlstrom, seconded by Committeemember Holtz, that the minutes of the October 12, 2005 meeting be approved.*

*The motion was carried unanimously by those present.*

*It was moved by Committeemember McHenry, seconded by Vice Chairman Villanueva-Saucedo, that the minutes of the October 19, 2005 meeting be approved.*

*The motion was carried unanimously by those present.*

2. Hear and discuss a summary of the Bond Programs and information regarding bond debt limitations.

Capital Improvement Project (CIP) Administrator Anthony Araza provided a recap and review of the issues addressed by the Committee during the past three months. He advised that since 1979 the citizens of Mesa have approved \$1.7 billion in capital infrastructure bond authorizations, and that approximately \$351 million has yet to be issued.

Mr. Araza advised that the City of Mesa's growth is at a slower pace than was experienced in the 1980's and 1990's. He noted that growth requires new infrastructure, and that aging infrastructure in older sections of the City has reached the end of its life cycle and requires replacement. Mr. Araza stated that the City of Mesa has developed creative partnerships with Arizona State University Polytechnic at Williams Gateway Airport and Mesa Community College in the downtown area, the City's important economic development areas. He added that the Committee also heard presentations on potential infrastructure components that improve the efficiency of government services, projects that improve the community's quality of life and enable neighborhood-related improvements, projects that leverage funding, and Public Safety projects that maintain and improve community safety.

Mr. Araza explained that voter approval of bond programs is merely authorization for the City to issue bonds. He noted that the City is currently in a financially restricted mode for capital improvement projects, and therefore the City is limited regarding the amount of debt that can be issued each year. Mr. Araza stated that the projects reviewed by the Committee might be "cash-flowed" over five to six years rather than four years. He advised that the outcome of a potential ballot issue in May 2006 could require reconfiguration of the entire CIP Program.

Chairman Jackson stated that the Committee received the document titled, "Expenditure Summary of Bond Programs – FY 2005-2006 to 2009-2010" (see Attachment 1) and the detailed list of the current bond proposals (a copy is available for review in the City Clerk's Office). He noted that the Committee added several projects to the list during the review process.

In response to questions from Committeemember Gilbert, Mr. Araza advised that three program areas in this bond cycle, which total \$86.3 million, were not represented in the last cycle. He noted that the last bond question for Municipal Service Facilities and Technology was in 2000. Mr. Araza added that Neighborhood and Arterial Streets (General Obligation bonds) and Electric (Enterprise bonds) are being proposed for the first time. He also advised that the following bond proposals were rejected by the voters in 2000: Municipal Services Facilities, Parks and Open Space (twice in 2000), and Neighborhood and Street Flood Control. He confirmed that Municipal Service Facilities has no remaining authorization, and that \$18 million remains in the Parks' bond capacity from prior bond elections.

Committeemember Gilbert stated that he was attempting to identify the additional cost in current dollars for projects that were rejected by the voters in prior bond elections.

3. Discuss and consider the final Bond Program recommendations.

**a. Electric System Bonds**

*It was moved by Committeemember Gilbert, seconded by Committeemember Hisserich, that the Committee approve the Electric System Bonds as recommended by staff and forward the proposal to the City Council for their consideration.*

*The motion was carried unanimously by those present.*

**b. Water System Bonds**

*It was moved by Committeemember Gilbert, seconded by Committeemember McHenry, that the Committee approve the Water System Bonds as recommended by staff and forward the proposal to the City Council for their consideration.*

*The motion was carried unanimously by those present.*

**c. Gas System Bond**

*It was moved by Committeemember Ahlstrom, seconded by Committeemember Coons, that the Committee approve the Gas System Bond as recommended by staff and forward the proposal to the City Council for their consideration.*

*The motion was carried unanimously by those present*

**d. Wastewater System Bond**

Committeemember Saemisch declared a potential conflict of interest and said he would refrain from discussion/participation in this agenda item.

*It was moved by Committeemember Gilbert, seconded by Committeemember McHenry, that the Committee approve the Wastewater System Bonds as recommended by staff and forward the proposal to the City Council for their consideration.*

*The motion was carried unanimously by those present and voting (Committeemember Saemisch abstaining).*

**e. Neighborhood/Street Flood Control Bonds**

Committeemembers Ahlstrom and Coons declared a potential conflict of interest relative to item number 5 (01-477 Correct Drainage Problems - see Attachment 2) and said they would refrain from discussion/participation in this agenda item.

*It was moved by Committeemember Gilbert, seconded by Committeemember Saemisch, that the Committee approve the Neighborhood/Street Flood Control Bonds as recommended by staff, except for item number 5, and forward the proposal to the City Council for their consideration.*

*The motion was carried unanimously by those present.*

*It was moved by Committeemember Gilbert, seconded by Vice Chairman Villanueva-Saucedo that the Committee approve item number 5 of the Neighborhood/Street Flood Control Bonds as recommended by staff and forward the proposal to the City Council for their consideration.*

*The motion was carried unanimously by those present and voting (Committeemembers Ahlstrom and Coons abstaining).*

**f. Public Safety Bonds**

Committeemember Hisserich requested that item 24 (700 MHz Trunked Voice/Data Radio System - see Attachment 3) be considered separately.

*It was moved by Vice Chairman Villanueva-Saucedo, seconded by Committeemember McHenry, that the Committee approve the Public Safety Bonds as recommended by staff, except for item number 24, and forward the proposal to the City Council for their consideration.*

*The motion was carried unanimously by those present.*

Committeemember Hisserich expressed concern regarding the \$23 million requested in item 24 for the 700 MHz radio system. He stated that a Motorola representative informed him that the Police Department already has the capacity to utilize 700 MHz on the 800 MHz radios and that the conversion is simply a programming change.

Assistant Police Chief G.T. Fowler confirmed that the 800 MHz radios could be programmed to receive 700 MHz frequencies for voice communication, but the equipment to support data transmission on the 700 MHz system must be purchased. He advised that data transmission is an issue of concern because the manufacturer of the existing equipment is phasing out the equipment within the next five years and parts are no longer available. He further advised that the 800 MHz system does not transmit data, and that a separate data transmission network is required for the 700 MHz system. Chief Fowler explained that the types of data transmitted include computer aided dispatch information such as pre-plans for the Fire Department, maps, hydrant locations, maps of apartment complexes, etc. He noted that a "paper system" is no longer feasible. Chief Fowler added that the dollar amount is an estimate because the equipment has not yet been manufactured. He stated that all Public Safety agencies will be required to utilize this technology, and he noted that the Federal Communications Commission (FCC) is removing Public Safety's ability to transmit on the existing capacity.

Committeemember Hisserich stated the opinion that the FCC was not mandating the change, and he added that Nextel committed \$843 million in order to eliminate interference on the 800 MHz band utilized by Nextel and Motorola for their paging/instant messaging systems. He stated that the Motorola representative advised him that the City of Mesa presently has one of the finest communications systems in the world, and he recommended that the proposed expenditure be delayed for several years.

Chief Fowler said that the City's Communications Division has advised that the existing equipment will be unable to accommodate data transmission within the next five years. He added that he no one from Motorola or any member of the many committee's on which City of Mesa representatives serve has stated that the 800 MHz system is capable of transmitting the

data. He added that staff has been advised that the 800 MHz system is almost completely full at the present time, and that the 800 MHz system was a “stop-gap” measure until Public Safety agencies could be transitioned into the 700 MHz system.

Committeemember Hisserich noted that the 700 MHz band is presently occupied by television channels 62 through 69. He advised that television stations are not utilizing that portion of the spectrum, and that this area is a “green field” for Public Safety. Committeemember Hisserich recommended that the conversion to 700 MHz be delayed for four to five years.

In response to questions from Committeemember Gilbert, Chief Fowler confirmed that the 700 MHz system is part of the Trunked Arizona Open Network (TOPAZ), and that the City’s failure to implement the 700 MHz system would result in the department losing the capability to transmit data within five years. He explained that data transmission includes warrant information, and driver’s license and vehicle registration checks in addition to transmitting pre-plans for the Fire Department, maps and directions.

Committeemember McHenry explained that the transition to 700 MHz is a nationwide issue related to homeland security.

Responding to questions from Chairman Jackson, Chief Fowler advised that typically the existing data transmission equipment is recycled twice, and that the proposed bonds may not be issued for a number of years because the required conversion date is unknown at the present time.

*It was moved by Committeemember Gilbert, seconded by Committeemember Flick, that the Committee approve item number 24 of the Public Safety Bonds as recommended by staff and forward the proposal to the City Council for their consideration.*

*The motion was carried by a majority vote of those present (Committeemember Hisserich voting nay).*

**g. Emergency Fire Protection and Medical Response Bonds**

Committeemember Holtz requested that items 27 through 30 (Joint Public Safety projects with MCC - see Attachment 4) be considered separately.

*It was moved by Committeemember O’Neill, seconded by Committeemember Flick, that the Committee approve the Emergency Fire Protection and Medical Response Bonds as recommended by staff, except items 27 through 30, and forward the proposal to the City Council for their consideration.*

*The motion was carried unanimously by those present.*

Committeemember Holtz questioned the details of the City’s agreement with Mesa Community College (MCC) regarding paramedic training.

Assistant City Manager Debra Dollar explained that the Memorandum of Understanding with MCC is very broad in nature and that it serves as an umbrella agreement regarding the commitment to the downtown campus and the willingness of the two parties to work together.

She advised that separate Intergovernmental Agreements (IGA) would be developed to address each individual facility and the details of the partnership. Ms. Dollar noted that the first IGA is planned to address the partnership with the Library, and the second IGA would address the Fire Department.

Committeemember Holtz commented that the partnership might be a great idea, but he expressed the opinion that the City cannot afford to participate at the present time. He further stated the opinion that the Committee is responsible to provide recommendations to the Council regarding areas where bonding could be deferred.

In response to a question from Chairman Jackson, Ms. Dollar confirmed that the partnership has provided an impetus to MCC to establish the downtown campus. She noted that the proposed campus is structured to be aligned with existing downtown amenities, and that the focus is on the areas of public safety, health and technology.

Chairman Jackson added that MCC has committed \$9 million to the downtown campus project, and that the City's bond proposal is for approximately \$3.9 million.

Ms. Dollar noted that MCC is pursuing additional partnerships with the health care industry. She stated that the City's contribution to the partnership is land that is presently owned by the City and infrastructure that the City would construct with or without the partnership.

Assistant Fire Chief Gary Bradbury advised that the project would enable the Fire Department to take advantage of some economies of scale by sharing expenses with MCC. He noted that the Fire Department has had a long-term relationship with MCC regarding paramedic and officer training.

Ms. Dollar added that the proposed facility could serve as a regional training center, which might be a future revenue generator for the City.

Committeemember Holtz expressed the opinion that the project should not be considered as a high priority for the City of Mesa.

Responding to questions from Committeemember McHenry, Chief Bradbury advised that a regional workforce deficit in Public Safety, including both Police and Fire, would materialize in 2006 as a result of the Deferred Retirement Option Program (DROP). He confirmed that the department is leveraging the educational system in order to ensure that the technical training is available for the future workforce.

*It was moved by Committeemember Coons, seconded by Committeemember Flick, that the Committee approve items 27 through 30 of the Emergency Fire Protection and Medical Response Bonds as recommended by staff and forward the proposal to the City Council for their consideration.*

*The motion was carried by a majority vote (Committeemembers Holtz and Hisserich voting nay).*

**h. Municipal Services Facilities and Technology Bonds**

*It was moved by Committeemember Gilbert, seconded by Vice Chairman Villanueva-Saucedo, that the Committee approve the Municipal Services Facilities and Technology Bonds as recommended by staff and forward the proposal to the City Council for their consideration.*

*The motion was carried unanimously.*

**i. Parks, Recreation & Open Space Bonds**

In response to questions from Committeemember Ahlstrom regarding items 39 and 40 (Countryside Park Recreation Center Development - see Attachment 5), Parks and Recreation Management Support Administrator Tim Barnard confirmed that a fitness center is included as a component of the facility. He added that Recreation Centers also include meeting rooms, which enable the City to partner with community organizations.

Committeemember Ahlstrom agreed that a need exists for meeting rooms, but he stated the opinion that fitness centers compete with the private sector and should not be included in Recreation Centers. He requested that items 39 and 40 be considered separately.

Discussion ensued relative to the fact the Recreation Center fitness components are not similar to facilities offered by the private sector; that fitness facilities at Jefferson and Webster Elementary Schools are utilized by the Parks Division during non-school hours; and that land acquisition for future park facilities is the primary focus of the bond proposal.

Parks and Recreation Director Bob White provided an overview of the Red Mountain Multigenerational Center facilities, and he advised that the City partners with organizations such as the Silver Sneakers Program for seniors, the Boys and Girls Clubs and Mesa Public Schools.

Committeemember Holtz requested that items numbered 1 (Va Shly'ay Akimel Project - see Attachment 6), 41 and 42 (Mesa Grande Archeological Park and Visitor's Center - see Attachment 5) be removed for separate consideration.

*It was moved by Committeemember Gilbert, seconded by Vice Chairman Villanueva-Saucedo, that the Committee approve the Parks, Recreation and Open Space Bonds as recommended by staff and the Committee, except items numbered 1, 39, 40, 41 and 42, and forward the proposal to the City Council for their consideration.*

Committeemember Gilbert expressed the opinion that the failure of prior bond elections has resulted in the City falling behind, and that staff's proposal reflects the intent of Mesa's citizens when they approved the General Plan.

Chairman Jackson stated the opinion that the failure of the 2000 bond election resulted in many lost opportunities for the City. He further stated that many voters do not fully comprehend that delaying necessary facilities results in increased future costs.

Committeemember Holtz expressed the opinion that the Committee's responsibility is to provide recommendations to the Council regarding the proposed projects and their affordability.

*Chairman Jackson called for the vote.*

*The motion was carried unanimously.*

*It was moved by Committeemember Gilbert, seconded by Committeemember O'Neill, that the Committee approve item number 1 of the Parks, Recreation and Open Space Bonds as recommended by staff and forward the proposal to the City Council for their consideration.*

*The motion carried by a majority vote (Committeemembers Hisserich and Holtz voting nay).*

Additional discussion ensued relative to the fact that the proposed Countryside Recreation Center would be a scaled down version of the Red Mountain facility; that a concept plan is presented to the community at public meetings; that an IGA exists with the school; that additional partnerships are being aggressively pursued; that the City would not implement facilities that compete with the private sector; and that bus transportation is available.

Chairman Jackson noted that the Committee added items numbered 39, 40, 41 and 42 to the bond proposal.

*It was moved by Vice Chairman Villanueva-Saucedo, seconded by Committeemember O'Neill, that the Committee approve items numbered 39 and 40 of the Parks, Recreation and Open Space Bonds as recommended by the Committee and forward the proposal to the City Council for their consideration.*

*The motion carried by a majority vote (Committeemembers Ahlstrom, Coons, Hisserich and Holtz voting nay).*

*It was moved by Committeemember Gilbert, seconded by Committeemember McHenry, that the Committee approve items numbered 41 and 42 of the Parks, Recreation and Open Space Bonds as recommended by the Committee and forward the proposal to the City Council for their consideration.*

*The motion was carried by a majority vote (Committeemembers Ahlstrom, Hisserich and Holtz voting nay).*

**j. Neighborhood and Arterial Street Improvements Bonds**

*It was moved by Committeemember Gilbert, seconded by Committeemember Villanueva-Saucedo, that the Committee approve the Neighborhood and Arterial Street Improvement Bonds as recommended by staff and forward the proposal to the City Council for their consideration.*

*The motion was carried unanimously.*

4. Scheduling of meetings and general information.

Special Assistant to the City Manager Eric Norenberg stated that staff would prepare the final report for presentation to the City Council at the Thursday, November 10<sup>th</sup> Study Session, which begins at 7:30 a.m. He noted that Chairman Jackson and Vice Chairman Villanueva-Saucedo will be present on November 10<sup>th</sup>, and he extended an invitation to all of the Committeemembers to attend the Study Session.

Chairman Jackson thanked the Committeemembers for their participation, and he urged the members to continue to express their opinions and discuss these issues with the Council. He also thanked staff for their efforts in presenting the information to the Committee.

5. Items from citizens present.

There were no items from citizens present.

6. Adjournment.

Without objection, the 2005 Citizen Bond Committee meeting adjourned at 6:53 p.m.

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the meeting of the 2005 Citizen Bond Committee of the City of Mesa, Arizona, held on the 26<sup>th</sup> day of October 2005. I further certify that the meeting was duly called and held and that a quorum was present.

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BARBARA JONES, CITY CLERK

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Attachments (6)