

COUNCIL MINUTES

June 20, 2005

The City Council of the City of Mesa met in a Regular Council Meeting in the Council Chambers, 57 East 1st Street, on June 20, 2005 at 5:46 p.m.

COUNCIL PRESENT

Mayor Keno Hawker
Rex Griswold
Kyle Jones
Tom Rawles
Janie Thom
Claudia Walters
Mike Whalen

COUNCIL ABSENT

None

OFFICERS PRESENT

Mike Hutchinson
Debbie Spinner
Barbara Jones

Invocation by Dr. Blaine C. Mays, Community Church of New Thought.

Pledge of Allegiance was led by William Scott, Boy Scout Troop No. 503.

Mayor's Welcome.

Mayor Hawker welcomed everyone to the meeting. A videotaped presentation was aired that outlined meeting procedures and provided attendees with instructions relative to addressing the Council.

1. Consider all consent agenda items.

At this time, all matters on the consent agenda were considered or were removed at the request of a member of the Council. All items identified with an asterisk (*) were approved with one Council action.

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

Carried unanimously.

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

Minutes from the June 2, 6, 7, and 9, 2005 Council meetings.

3. Conduct a public hearing on the proposed Fiscal Year 2005-06 Budget Plan (See Item #8j for budget information).

Mayor Hawker announced that this is the time and place for a public hearing regarding the proposed Fiscal Year 2005-06 Budget Plan.

Budget Director Jamie Warner stated that the operating budget is \$705,668,000, which is a 7.1 percent increase over the 2004-05 budget and \$6.4 million below the tentative budget. He added that the bond capital improvement budget is \$168,853,000, which is 12.2 percent over the 2004-05 budget and \$10.8 million below the tentative budget. Mr. Warner advised that the total 2005-06 appropriations of \$874,521,000 represent an 8.0 percent increase over 2004-05 and is \$17.3 million below the tentative budget. He outlined significant changes in the 2005-06 budget, some of which are listed below:

- The State Retirement fund contributions increased by \$4.6 million.
- The City's health insurance contributions increased by \$4.2 million.
- An increase in the amount of \$800,000 for the Workers' Compensation Fund.
- Increased annualized costs for the Mesa Arts Center and the re-budgets in the amount of \$6.9 million.
- 21 new, full-time law enforcement employees funded by the Quality of Life revenue and the General Fund.
- Increased operational costs for the Greenfield Wastewater Plant and water programs in the amount of \$3.4 million.

Mr. Warner noted that the utility rate increases are proposed to change from three percent to five percent, and that the amount equal to two percent is being restricted and carried over in order to contribute to funding Fiscal Year 2007-08.

Mr. Warner reported that all State Statute and City Charter public notice requirements have been met.

Sheila Mitton, 1615 West Pueblo, expressed concern regarding City of Mesa budget cuts to children's programs, and she read a letter from the Principal of Webster Elementary School that emphasized the importance of after-school programs for children.

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

4. Conduct a public hearing concerning the Five-year Capital Improvement Program for Fiscal Years ending 2005-2010 (See Item #8k program information).

Mayor Hawker announced that this is the time and place for a public hearing concerning the Five-year Capital Improvement Program for Fiscal Years ending 2005-2010.

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

5. Consider the following liquor license applications:

*5a. CLAIRE HOLLIE ABEL, AGENT

Person & Location Transfer Liquor Store License for Wal-Mart Supercenter #5428, 1710 S. Greenfield Road. This is new construction. This is a Person and Location Transfer from Richard J. Waters, Agent, Arrow Pharmacy, Inc., 11 W. Boston, Chandler. This license will transfer to the applicant. District #6.

5b. SHAHID ALI JAVED, AGENT

New Beer & Wine Store License for Mercado Mi Mexico Lindo, 103 W. 8th Avenue. This is an existing building. No previous liquor licenses at this location. District #4.

Assistant Financial Services Manager Jenny Sheppard advised that staff's recommendation for denial of the application is based on neighborhood opposition.

Hassan Bahari, representing the applicant, stated that the business is a small, family-operated grocery store that intends to provide lower-priced groceries to the community, and that a liquor license would enhance the ability of the business to succeed. Mr. Bahari said that petitions signed by more than 400 area residents would be submitted to the State Liquor Control Board at the hearing.

James C. Phillips, 235 West 8th Avenue, representing 118 citizens who signed a petition in opposition to the liquor license application (the petitions were not accepted by the City because they were submitted after the due date), advised that the market is located in the area of two churches and next to Guerrero Rotary Park, where alcohol is prohibited. He expressed concern for the safety of area children and families who utilize the park's facilities.

Katey M. Phillips, 235 West 8th Avenue, speaking on behalf of her neighborhood church and their children's organization, expressed opposition to the liquor license. She added that she also represents Cub Scout Pack 57, which occasionally meets at Guerrero Rotary Park.

Barbara Erman, Director of the Casa de Amor Baptist Center, advised that her organization began as a food and clothing ministry and has expanded to provide many services to the community, including weekly Bible study classes and has formed a partnership with the City of Mesa and Arizona State University to offer free computer classes. She explained that the neighborhood has undergone positive changes in recent years, and she expressed opposition to the application.

Shahid Ali Javed, Mr. Bahari's partner in Mercado Mi Mexico Lindo, stated that their research indicated a neighborhood need for a convenient grocery store. He advised that the store would create five to six jobs, and that the business intends to participate in and support community activities.

Neighborhood Services Director Lisha Garcia provided Spanish translation services for Argelia Arreala and Patricia Jimenez.

Argelia Arreala, 260 West 8th Avenue, spoke in support of the liquor license application and advised that she represented several individuals in the audience, including the following individuals who completed cards expressing support for the application, but indicated that they did not wish to address the Council:

Carlos Castro, 260 West 8th Avenue
Jesus Alberto, 260 West 8th Avenue
Carlos Morcelo Aragon Cofa, 260 West 8th Avenue

Patricia Jimenez, 260 West 8th Avenue, also addressed the Council and expressed support for the liquor license application.

Mr. Bahari advised that when he initially contacted the Baptist Center, he was told that the facility operated as a community center rather than a church.

City Attorney Debbie Spinner quoted the following definition from Section 4-207 of the State Statutes: "...church means a building which is erected or converted for use as a church, where services are regularly convened, which is used primarily for religious worship and schooling, and which a reasonable person would conclude is a church by reason of design, signs or architectural or other features." She expressed the opinion that the Casa de Amor Baptist Center does not meet the definition of a "church" due to the fact that services are not regularly convened.

It was moved by Councilmember Rawles, seconded by Councilmember Whalen, that the liquor license application for Mercado Mi Mexico Lindo be forwarded to the State Liquor Control Board with a recommendation for approval.

Discussion ensued relative to the fact that Casa de Amor representatives advised that a weekly Bible study is held on Saturdays; that the primary activity at the Casa de Amor facility is the distribution of clothing, food and furniture; and that the Council could forward the application to the State Liquor Control Board without a recommendation.

Mayor Hawker called for the vote.

Upon tabulation of votes, it showed:

AYES – Rawles-Thom-Whalen
NAYS – Griswold-Hawker-Jones-Walters

Mayor Hawker declared the motion failed.

It was moved by Vice Mayor Walters, seconded by Mayor Hawker, that the liquor license application for Mercado Mi Mexico Lindo be forwarded to the State Liquor Control Board with a recommendation for denial because the sale of liquor in proximity to a City park does not serve the community's best interest.

Upon tabulation of votes, it showed:

AYES – Griswold-Hawker-Jones-Walters
NAYS – Rawles-Thom-Whalen

Mayor Hawker declared the motion carried by a majority vote.

*5c. ELIAS IBRAHIM CHAWKI, AGENT

New Restaurant License for Desert Peaks Pizza & Grille, 5943 E. McKellips Road, Ste. #102. This is an existing business. The license previously held at this location by Jeffrey Allen Gopon, Agent, GoFam Investments LLC, will revert back to the State. District #5.

6. Consider the following contracts:

*6a. Additional Software Licenses for Microsoft Products as requested by the Information Services Division (ISD). (State Contract #AD990116-001).

The Purchasing Division recommends authorizing purchase from the State of Arizona contract with ASAP Software for a cost of \$54,496.06, including applicable sales tax.

6b. East Mesa Sewer Interceptor – Phase II and Greenfield Water Reclamation Plant Reclaimed Water Pipelines, GWRP to Menlo Park Drive, City of Mesa Project #01-671-001.

This project will construct a section of the wastewater line known as the East Mesa Interceptor (EMI), from Menlo Park Drive west along Germann Road to Greenfield Road, then from Germann Road south along Greenfield Road to the Greenfield Water Reclamation Plant. Improvements include the installation of 5,950 lineal feet of 66-inch and 3,565 lineal feet of 78-inch gravity sewer line.

Recommend award to low bidder SJL Construction, Inc., in the amount of \$5,289,740.00 plus an additional \$528,974.00 (10% allowance for change orders) for a total award of \$5,818,714.00.

Mayor Hawker declared a potential conflict of interest and said he would refrain from discussion/participation in agenda items 6b and 6c. He yielded the gavel to Vice Mayor Walters for action on these agenda items.

It was moved by Councilmember Griswold, seconded by Councilmember Whalen, that the recommendation of staff be approved.

Upon tabulation of votes, it showed:

AYES – Griswold-Jones-Rawles-Thom-Walters-Whalen
NAYS – None
ABSTAIN – Hawker

Vice Mayor Walters declared the motion carried unanimously by those voting.

- 6c. Concrete Replacement – Fire Station Nos. 204 & 211, City of Mesa Project #04-916-001.

This project will replace and rehabilitate the concrete driveways around Fire Station No. 204, at 1426 S. Extension Road, and Fire Station No. 211, at 2130 N Horne Road.

Recommend award to low bidder Krisdan Company, Inc., in the amount of \$160,138.25 plus an additional \$16,013.83 (10% allowance for change orders) for a total award of \$176,152.08.

It was moved by Councilmember Rawles, seconded by Councilmember Whalen, that the recommendation of staff be approved.

Upon tabulation of votes, it showed:

AYES – Griswold-Jones-Rawles-Thom-Walters-Whalen
NAYS – None
ABSTAIN – Hawker

Vice Mayor Walters declared the motion carried unanimously by those voting.

Vice Mayor Walters yielded the gavel back to Mayor Hawker.

- *6d. Airport liability insurance for Falcon Field and aircraft hull and liability coverage for Police Department aircraft as requested by the City Attorney's Office.

Recommend accepting the proposal by Arthur J. Gallagher 7 Co. for airport liability at Falcon Field for \$28,003.00.

It is also recommended that Council accept the proposal by Arthur J. Gallagher & Co. for aircraft hull and liability coverage at a premium of \$189,545.00.

7. Introduction of the following ordinances and setting July 5, 2005, as the date of public hearing on these ordinances:

- *7a. Consider an amendment to the City of Mesa Zoning Ordinance, by adding a new Subsection 11-6-3 (D) permitting "Commercial Recreation/Entertainment Uses", such as

pool and dance halls, night clubs, cocktail lounges, bars, and similar uses in the C-2 District, subject to a Council Use Permit.

P&Z Recommendation: Split vote. (Vote: 3-3 Finter, Mizner, and Cowan voting nay, Carpenter absent).

- *7b. **Z05-47 (District 6)** The 8800 – 9100 block of East Baseline Road (south side) and the 2100 – 2400 block of South Ellsworth Road (west side). Located south and west of Baseline Road and Ellsworth Road (145± ac). Modification of the Monte Vista Village Resort Development Master Plan, modification of an approved PAD, and site plan modification. This request is to allow for Monte Vistas' second phase of development of a manufactured home and RV resort. Monte Vista Two (Scott Brown), owner; David Evans and Associates (Eric Toll), applicant.

P&Z Recommendation: Approval. (Vote: 6-0 Carpenter absent).

- *7c. **Z05-53 (District 6)** The 10800 – 11200 block of East Ray Road (north and south side). Located between the Signal Butte Road alignment and Mountain Road north and south of the Ray Road alignment (138± ac). Rezone from R1-43 and R1-6 (conceptual R-2) to R1-6 PAD and R-2 PAD and modification of the Mountain Horizons Development Master Plan. This request is to allow for the further development of a residential master planned community. Pulte Homes, Tim Loughrin, owner; Sean Lake, Pew & Lake, PLC, applicant.

P&Z Recommendation: Approval. (Vote: 6-0 Carpenter absent).

- *7d. **Z05-54 (District 5)** The 9800 – 10000 block of East Brown Road (north side). Located at the northwest corner of Brown Road and Crismon Road (23± ac). Rezone from R1-43 to R1-15 PAD and site plan review. This request is to allow for the development of a single residence subdivision. Warren Peterson, VIP Construction, Inc., owner; Kimberly Acton, Hoskin-Ryan Consultants, Inc.

P&Z Recommendation: Approval. (Vote: 6-0 Carpenter absent).

- 7e. **Z05-55 (District 4)** 805 North Country Club (east side). Located at the northeast corner of Country Club Drive and 8th Street (4± ac). Rezone from R1-6 and C-2 to O-S, and site plan review. This request is to allow for the development of the Family Enrichment Center, which will be an extension of the Child Crisis Center's shelter program. First Christian Church of Mesa, owner; Ralph Pew – Pew & Lake PLC, applicant.

P&Z Recommendation: Approval. (Vote: 5-0-1 Saemisch abstaining, Carpenter absent).

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

It was moved by Vice Mayor Walters, seconded by Councilmember Jones, that the subject ordinance be introduced and that July 5, 2005 be established as the date for the public hearing.

Planning Director John Wesley responded to a question from Councilmember Griswold by advising that the subject of property owners gaining access to the rear yards is a private property issue to be addressed by the parties involved rather than a zoning issue.

Mayor Hawker called for the vote.

Upon tabulation of votes, it showed:

AYES – Griswold-Hawker-Jones-Rawles-Thom-Walters
NAYS – None
ABSTAIN – Whalen

Mayor Hawker declared the motion carried unanimously by those voting.

- *7f. **Z05-57 (District 5)** The 1650 to 1750 block of North Power Road (east side) through to the 1650 to 1750 block of North 72nd Street (west side). Located south and east of McKellips Road and Power Road (38± ac). Rezone from R1-35 to R1-15 PAD and site plan review. This request is to allow for the development of a residential subdivision. Cornerstone Homes (Scott Hironaka), owner/applicant.

P&Z Recommendation: Approval. (Vote: 6-0 Carpenter absent).

- *7g. Adding a new Chapter 19 to Title 6, of the Mesa City Code pertaining to recovery of costs for Police services; second or subsequent response to disruptive parties, gatherings or events as recommended by the Police Committee.

8. Consider the following resolutions:

- *8a. Approving and authorizing the City Manager to execute the Grant Agreement Amendment between the Arizona Department of Transportation and the City of Mesa to extend the expiration date of existing Grant number E0116 for Construction of a New General Aviation Terminal at Falcon Field Airport to June 30, 2006 – Resolution No. 8505.
- *8b. Approving and authorizing the City Manager to execute the Grant Agreement Amendment between the Arizona Department of Transportation and the City of Mesa to extend the expiration date of existing Grant number E3S02 for Security Fencing (Phase #2) at Falcon Field Airport to June 30, 2006 – Resolution No. 8506.
- *8c. Approving and authorizing the City Manager to execute the Grant Agreement Amendment between the Arizona Department of Transportation and the City of Mesa to extend the expiration date of existing Grant number E3S03 for Pavement Preservation & Airport Roads at Falcon Field Airport to June 30, 2006 – Resolution No. 8507.

- *8d. Approving and authorizing the City Manager to execute the Grant Agreement Amendment between the Arizona Department of Transportation and the City of Mesa to extend the expiration date of existing Grant number E3F48 for Airfield Pavement Preservation/Marking/Roads/DBE at Falcon Field Airport to June 30, 2006 – Resolution No. 8508.
- *8e. Approving and authorizing the City Manager to execute the Grant Agreement Amendment between the Arizona Department of Transportation and the City of Mesa to extend the expiration date of existing Grant number E3F49 to Pave Safety Areas/Runway (Incurion Prevention Program) at Falcon Field Airport to June 30, 2006 – Resolution No. 8509.
- *8f. Amending the authority granted to the Commercial Facilities Division Director to approve fee adjustments – Resolution No. 8510.
- *8g. Authorizing the City Manager to execute a burial agreement to facilitate compliance with A.R.S. 41-844 and A.R.S. 41-865 with the Arizona State Museum, the Gila River Indian Community, the Salt River Pima-Maricopa Indian Community, the Hopi Tribe, and the Fort McDowell Mohave-Apache Indian Community – Resolution No. 8511.
- *8h. Vacating Rights-of-Way and extinguishing Public Utilities and Facilities Easements in Longbow Business Park and Golf Club– Resolution No. 8512.

As per the Development Agreement with Dover Associated, LLC, certain rights-of-way and easements are no longer necessary and are being requested to be abandoned. (Longbow Parkway and Recker Road, south of Loop 202 Freeway).
- *8i. Vacating a portion of Windsor Street right-of-way, north of Garnet Street – Resolution No. 8513.

This street right-of-way is no longer needed.
- 8j. Approving a budget for Fiscal Year ending June 30, 2006 – Resolution No. 8519.

It was moved by Vice Mayor Walters, seconded by Mayor Hawker, that Resolution No. 8519 be adopted.

Councilmember Griswold noted that the approved amount is the maximum that can be spent by the City, and that the City's expenditures are usually less than the maximum allowable amount.

In response to a question from Councilmember Thom, Mr. Warner confirmed that the proposed utility rate increases are a component of balancing the budget. He added that Light Rail Transit expenditures are included in the Capital Improvement Program over a five-year period and included in the 2005-06 budget.

Councilmember Thom stated the opinions that the Light Rail Transit project costs are excessive, and that utility rates should not be increased. She advised that she could not support the proposed budget.

Councilmember Whalen said that increasing utility rates was a difficult issue, but he noted that the decision to fund City services through utility rates was made many years ago. He expressed concern regarding the number of employees leaving the City and the impact of reduced staffing on the employees who remain. Councilmember Whalen added that while disagreement exists on certain issues, the Council must work together to reach a consensus that is in the best interest of the City. He noted that difficult decisions have been made regarding City services in order to balance the budget.

Mayor Hawker stated that addressing budget issues would become more difficult in the future. He explained that because sales tax revenues fluctuate, utilities provide the most stable source of City revenue, and he expressed support for increasing utility rates. Mayor Hawker also expressed support for Mesa's participation in the regional Light Rail Transit system. He noted that the citizens of Mesa would have an opportunity to determine the type of community in which they want to reside, and he added that the decisions made by the citizens would impact property values and the types of City services to be provided.

Councilmember Jones, Chairman of the Financing the Future Committee, commented that Mesa was once the major generator of sales tax revenue in the East Valley. He stated that historically Mesa has been a very conservative community, and that the City has provided services similar to other Valley communities without generating the same amount of revenues. Councilmember Jones added that citizens attending the recent budget hearings expressed a desire for services to continue. He further stated that significant budget cuts have been implemented, and that the City is maintaining many programs with less funding.

Mayor Hawker called for the vote.

Upon tabulation of votes, it showed:

AYES – Griswold-Hawker-Jones-Walters-Whalen
NAYS – Rawles-Thom

Mayor Hawker declared the motion carried by majority vote and Resolution No. 8519 adopted.

8k. Approving a Five-Year Capital Improvement Program for Fiscal Years 2005-2010 – Resolution No. 8520.

It was moved by Vice Mayor Walters, seconded by Councilmember Jones, that Resolution No. 8520 be adopted.

Upon tabulation of votes, it showed:

AYES – Griswold-Hawker-Jones-Thom-Walters-Whalen
NAYS – Rawles

Mayor Hawker declared the motion carried by majority vote and Resolution No. 8520 adopted.

*8l. Authorizing the City Manager to execute an agreement between the City of Mesa and the law firm of Carr, Tabb and Pope for the purchase of ballistic vests no longer in service – Resolution No. 8514.

- 8m. Urging the Base Realignment and Closure Commission to rescind the Department of Defense recommendation to close the Air Force Research Laboratory located at Williams Gateway Airport in the City of Mesa – Resolution No. 8521.

Mayor Hawker recommended that the Base Realignment and Closure Commission be made aware of regarding the synergy that exists between Arizona State University (ASU) and the Air Force Research Laboratory at Williams Gateway Airport. He added that closing the Mesa research facility would require the government to construct a new facility at another location.

Williams Gateway Regional Economic Activity Area Project Manager Wayne Balmer noted that when military operations were terminated at Williams Gateway Airport in 1993, the Air Force Research Laboratory continued operations at that location because of the specialized facilities that exist and the convenient access that is available to Air Force locations throughout the southwestern United States. He advised that the Commission considers three primary areas in the decision-making process: 1) the military capacity, 2) the cost savings, and 3) the effect on the local economy. Mr. Balmer stated that the resolution provides justification for maintaining the Air Force Research Laboratory at the Williams Gateway Airport location. He added that if the Council approves the resolution, the information would be included with the presentation to be made by Governor Napolitano and Senator McCain to the Commission on Friday, June 24th.

It was moved by Mayor Hawker, seconded by Vice Mayor Walters, that Resolution No. 8521 be adopted.

Councilmember Rawles expressed the opinion that national security should be the primary consideration regarding the closure of military bases. He stated that the resolution is an effort to insure that the Commission has complete information regarding the facility, and he expressed support for the resolution.

Councilmember Thom stated a preference for deleting from the resolution references to the local economic impact of the closure, but she expressed the opinion that the facility is important to the war effort and advised that she would support the resolution.

Mayor Hawker called for the vote.

Carried unanimously.

- 8n. Approving and authorizing the City Manager to execute Addendum #1 to an Intergovernmental Agreement between the City of Mesa and Mesa Unified School District No. 4 for the cooperative use of City facilities and District facilities – Resolution No. 8522.

Vice Mayor Walters declared a conflict of interest on agenda items 8n, o, r and u and said she would refrain from discussion/participation on these agenda items.

It was moved by Councilmember Thom, seconded by Councilmember Rawles, that Resolution No. 8522 be adopted.

Upon tabulation of votes, it showed:

AYES – Griswold-Hawker-Jones-Rawles-Thom-Whalen
NAYS – None
ABSTAIN – Walters

Mayor Hawker declared the motion carried unanimously by those voting and Resolution No. 8522 adopted.

- 8o. Approving and authorizing the City Manager to execute Addendum #2 to an Intergovernmental Agreement between the City of Mesa and Mesa Unified School District No. 4 for the cooperative use of City facilities and District facilities – Resolution No. 8523.

It was moved by Councilmember Thom, seconded by Mayor Hawker, that Resolution No. 8523 be adopted.

Upon tabulation of votes, it showed:

AYES – Griswold-Hawker-Jones-Rawles-Thom-Whalen
NAYS – None
ABSTAIN – Walters

Mayor Hawker declared the motion carried unanimously by those voting and Resolution No. 8523 adopted.

- *8p. Approving the final assessments for the Power Road Scalloped Street Assessment Project #00-043.1 – Resolution No. 8515.

This project installed street improvements along North Power Road from East Adobe Road to East McKellips Road.

- *8q. Authorizing the City Manager to execute an agreement between the City of Mesa and the East Valley Institute of Technology to pay for the salary and benefits of Mesa Police Officers assigned to be School Resource Officers at the East Valley Institute of Technology within the City of Mesa – Resolution No. 8516.

- 8r. Authorizing the City Manager to execute an agreement between the City of Mesa and the Mesa Unified School District #4 to pay twenty-five percent (25%) of the salary and benefits of Mesa Police Officers assigned to be School Resource Officers in the Junior High Schools, Mesa Vista, McKellips Middle School and Power Middle School, within the City of Mesa – Resolution No. 8524.

It was moved by Councilmember Jones, seconded by Councilmember Whalen, that Resolution No. 8524 be adopted.

Upon tabulation of votes, it showed:

AYES – Griswold-Hawker-Jones-Rawles-Thom-Whalen
NAYS – None
ABSTAIN – Walters

Mayor Hawker declared the motion carried unanimously by those voting and Resolution No. 8524 adopted.

- *8s. Authorizing the transfer of a well site property at 2356 West Broadway to Freescale Semiconductor, Inc. – Resolution No. 8517.

The well has been abandoned and the land is no longer needed by the City of Mesa.

- *8t. Extinguishing an easement for highway purposes for East Paloma Avenue, east of South Sossaman Road – Resolution No. 8518.

- 8u. Authorizing the conveyance of City-owned property located at 155 North Center Street to Mesa Public Schools – Resolution No. 8525.

It was moved by Mayor Hawker, seconded by Councilmember Jones, that Resolution No. 8525 be adopted.

Councilmember Rawles clarified that the City is not giving away property, but the proposed Council action enables the property ownership to revert back to the Mesa Public Schools.

Upon tabulation of votes, it showed:

AYES – Griswold-Hawker-Jones-Rawles-Thom-Whalen
NAYS – None
ABSTAIN – Walters

Mayor Hawker declared the motion carried unanimously by those voting and Resolution No. 8525 adopted.

9. Consider the following ordinances:

- *9a. Amending Title II, Chapter 2 of the Mesa City Code by revising Housing and Human Services Advisory Board to Human Services Advisory Board, adding meetings section and amending all references to Housing Services – Ordinance No. 4414.

- 9b. Creating a Housing Advisory Board, providing for the appointment of members thereon and defining the powers and duties of the Board; amending the Mesa City Code by adding to Title II a new Chapter 24; establishing an effective date – Ordinance No. 4418.

It was moved by Vice Mayor Walters, seconded by Mayor Hawker, that Ordinance No. 4418 be adopted.

Councilmember Thom made comments in opposition to creating a Housing Advisory Board and referenced earlier citizen concerns that were expressed regarding manufactured housing.

Mayor Hawker advised that the recommendation before the Council enables the Housing Advisory Board to address all segments of the housing market. He noted that the issues raised by Councilmember Thom were corrected in the Housing Master Plan some time ago, and that the Council has the authority to take action if the Advisory Board is not operating in a proper manner.

Vice Mayor Walters expressed concern that Councilmember Thom's comments will needlessly frighten certain segments of the population. She clarified that the intent of the Advisory Board is to provide assistance when assistance is requested, and she added that the Council retains the ultimate authority.

Councilmember Thom expressed the opinion that the Advisory Board at some point in the future could recommend that no building permits be issued for certain types of housing. She stated that the market should address these types of issues.

Mayor Hawker stated that the Council retains the decision-making authority, and he added that planning and zoning are issues that are addressed by the Council. He noted that Advisory Boardmembers who fail to perform in accordance with the defined "duties" would be replaced.

Councilmember Jones explained that the Advisory Board is being created to assist the City in addressing housing issues.

Mayor Hawker called for the vote.

Upon tabulation of votes, it showed:

AYES – Griswold-Hawker-Jones-Rawles-Walters-Whalen
NAYS – Thom

Mayor Hawker declared the motion carried by majority vote and Ordinance No. 4418 adopted.

- *9c. Amending Title II, Chapter 23 of the Mesa City Code; Mesa Housing Services Governing Board by revising Housing and Human Services Advisory Board to the Housing Advisory Board – Ordinance No. 4415.
- 9d. Amending Title 6, Chapter 15, Sections 3 (E), 6 (A), and 20 (B) of the Mesa City Code; pertaining to alarm business duties, alarm user permit requirements, and false alarms; penalty assessments and permit revocation – Ordinance No. 4419.

Councilmembers Jones and Whalen declared potential conflicts of interest and said they would refrain from discussion/participation in this agenda item.

It was moved by Councilmember Rawles, seconded by Vice Mayor Walters, that Ordinance No. 4419 be adopted.

Upon tabulation of votes, it showed:

AYES – Griswold-Rawles-Thom-Walters
NAYS – Hawker
ABSTAIN – Jones-Whalen

Mayor Hawker declared the motion carried by majority vote of those voting and Ordinance No. 4419 adopted. He added that his reasons for voting in opposition to this item have been expressed at prior Council meetings.

*9e. Amending Title 1 Chapter 12 Section 1-12-5 of the Mesa City Code relating to waiver of fees, and adding a new Section 1-12-9 relating to a Court Capital Construction Fee – Ordinance No. 4416.

10. Consider a resolution and ordinance modifying water rate schedules and charges – Resolution No. 8526, Ordinance No. 4420.

In response to a question from Councilmember Rawles, Mr. Warner stated that the “Notice of Intention” advised the public that rate schedules and charges would be considered at the meeting on this date.

Mayor Hawker asked if anyone present wished to address the Council regarding this agenda item. There were no speakers.

It was moved by Mayor Hawker, seconded by Vice Mayor Walters, that Resolution No. 8526 and Ordinance No. 4420 be adopted.

Mayor Hawker stated that the additional funds generated by the increase from three percent to five percent, approximately \$3.1 million, would be utilized to increase the unrestricted fund balance. He explained that he consistently supports utility rate increases because utilities generate the revenues that are required in order to fund City services.

Vice Mayor Walters noted that the overall increased costs of providing utilities are not covered by the rate increase. She added that funds are being set aside to address the future costs of bonds.

In response to a question from Councilmember Thom, Mr. Warner stated that utility revenues to be transferred to the General Fund in the current year total \$75,641,000 and in fiscal year 2005/06, the protected amount is \$75,592,000.

Councilmember Thom outlined new utility projects that are planned for future implementation, and she expressed the opinion that utility rates do not have to be increased each year.

Councilmember Rawles expressed appreciation for that aspect of the budget that plans for the future, but he added that because there are many budgeted items that he does not support, he would oppose the rate increase.

Councilmember Griswold noted that at the time the founders of Mesa decided that utilities and sales tax revenues would fund City services, the City consisted of approximately one square mile and has grown to approximately 150 square miles.

Mr. Warner confirmed that the revenue available this year from the rate increase would address approximately one-third of the increased costs of providing utility services.

Councilmember Griswold expressed support for the rate increase and noted that Federal unfunded mandates cost the City millions of dollars. He added that unless other funding sources are available, utility rates are likely to increase each year.

Mayor Hawker called for the vote.

Upon tabulation of votes, it showed:

AYES – Griswold-Hawker-Jones-Walters-Whalen
NAYS – Rawles-Thom

Mayor Hawker declared the motion carried by majority vote and Resolution No. 8526 and Ordinance No. 4420 adopted.

11. Consider a resolution and ordinance modifying wastewater rate schedules and charges – Resolution No. 8527, Ordinance No. 4421.

It was moved by Vice Mayor Walters, seconded by Councilmember Jones, that Resolution No. 8527 and Ordinance No. 4421 be adopted.

Upon tabulation of votes, it showed:

AYES – Griswold-Hawker-Jones-Walters-Whalen
NAYS – Rawles-Thom

Mayor Hawker declared the motion carried by majority vote and Resolution No. 8527 and Ordinance No. 4421 adopted.

12. Consider a resolution and ordinance modifying gas rate schedules and charges – Resolution No. 8528, Ordinance No. 4422.

It was moved by Vice Mayor Walters, seconded by Mayor Hawker, that Resolution No. 8528 and Ordinance No. 4422 be adopted.

Upon tabulation of votes, it showed:

AYES – Griswold-Hawker-Jones-Walters-Whalen
NAYS – Rawles-Thom

Mayor Hawker declared the motion carried by majority vote and Resolution No. 8528 and Ordinance No. 4422 adopted.

13. Consider a resolution and ordinance modifying solid waste rate schedules and charges – Resolution No. 8529, Ordinance No. 4423.

It was moved by Councilmember Jones, seconded by Mayor Hawker, that Resolution No. 8529 and Ordinance No. 4423 be adopted.

Upon tabulation of votes, it showed:

AYES – Griswold-Hawker-Jones-Walters-Whalen
NAYS – Rawles-Thom

Mayor Hawker declared the motion carried by majority vote and Resolution No. 8529 and Ordinance No. 4423 adopted.

*14. Consider authorizing the City Manager to enter into an agreement with the Mesa Convention & Visitors Bureau to continue promoting tourism and convention business in Mesa.

*15. Consider write-off of utility and miscellaneous accounts in the amount of \$443,674.00.

16. Consider the following case from the Planning and Zoning Board and possible adoption of the corresponding ordinance:

- *16a. **Z05-59 (District 5)** 5646 East Main Street Suite 5. Located north and west of Main Street and Recker Road (12,900 s.f.). Council Use Permit. This request is to allow development of a school within a commercial zoning district. Saia Family Limited Partnership (Christine Pimentel), owner; Jerry Stansbury, applicant – Ordinance No. 4417.

P&Z Recommendation: Approval. (Vote: 4-0-3 Saemisch, Esparza, and Carpenter absent).

1. Compliance with the basic development of the Charter School as described in the project narrative.
2. Compliance with all City development codes and regulations.
3. Compliance with all requirements of the Development Services Department (Engineering, Traffic Engineering, Solid Waste and Facilities, etc.).

17. Consider the following subdivision plat:

- *17a. "GREENFIELD BUSINESS CENTER" (District 5) – 2900 block of North Greenfield Road (west side) located north of McDowell Road and west of Greenfield Road. 28 M-1 PAD office/industrial condominium units (6.23 ac) Greenfield Air Park, LLC, Brad H. Davis, representative; Western Geomatics Services, engineer.

18. Items from citizens present.

There were no items from citizens present.

19. Adjournment.

Without objection, the Regular Council Meeting adjourned at 7:49 p.m.

KENO HAWKER, MAYOR

ATTEST:

BARBARA JONES, 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 20th day of June 2004. I further certify that the meeting was duly called and held and that a quorum was present.

BARBARA JONES, CITY CLERK

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