



COUNCIL MINUTES

June 22, 2009

The City Council of the City of Mesa met in a Regular Council Meeting in the Council Chambers, 57 East 1st Street, on June 22, 2009 at 5:45 p.m.

COUNCIL PRESENT

Mayor Scott Smith
Alex Finter
Kyle Jones
Dennis Kavanaugh
Dave Richins
Scott Somers

COUNCIL ABSENT

Dina Higgins

OFFICERS PRESENT

Christopher Brady
Debbie Spinner
Linda Crocker

Invocation by Pastor Mike Cash, East Valley Free Will Baptist Church.

Pledge of Allegiance was led by Vice Mayor Jones.

Mayor's Welcome.

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

Mayor Smith excused Councilmember Higgins from the entire meeting.

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.

Mayor Smith announced that item 6h has been removed from the consent agenda at the request of a citizen.

Deputy City Manager Jack Friedline clarified that consent agenda item 10j recommended an award to the low bidder, Nesbitt Contracting Company, in the amount of \$2,013,072.71.

It was moved by Councilmember Kavanaugh, seconded by Councilmember Somers, that the consent agenda items, with the exception of item 6h, be approved.

Mayor Smith declared the motion carried unanimously by those present.

1.1. Affirm Council support of the Mayor's Proclamation that provides an opportunity for Mesa to join hundreds of cities across the country in collectively showing our support for bringing the 2016 Olympics to Chicago, Illinois, USA.

Mayor Smith stated that Chicago's bid to host the 2016 Olympics represents an effort on behalf of the entire country. He noted that Mesa, as the spring training home for the Chicago Cubs, has a direct connection to the city, and he requested that the Council join similar efforts by other cities across the country and support the Mayor's Proclamation that designates June 23, 2009 as Olympic Day in the City of Mesa.

It was moved by Councilmember Kavanaugh, seconded by Mayor Smith, that the Council affirm the Mayor's Proclamation designating June 23, 2009 as Olympic Day in the City of Mesa in support of Chicago's bid to host the 2016 Olympics.

Mayor Smith declared the motion carried unanimously by those present.

2. Conduct a public hearing concerning the Five Year Capital Improvement Program for Fiscal Years ending 2010-2014.

Mayor Smith announced that this was the time and place for a public hearing regarding the Five Year Capital Improvement Program for Fiscal Years ending 2010-2014.

Thomas Schuelke addressed the Council and stated the opinion that the City of Mesa has inadequate balances in the impact fee accounts. He suggested that the City develop a better plan relative to the assessment and expenditure of impact fees and that certain City properties be sold to generate funds. Mr. Schuelke further stated the opinion that the City of Mesa is "asset rich and cash poor."

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

3. Conduct a public hearing on the proposed Fiscal Year 2009-10 Budget Plan and levying of a secondary property tax.

Mayor Smith announced that this was the time and place for a public hearing regarding the proposed Fiscal Year 2009-10 Budget Plan and levying of a secondary property tax.

Thomas Schuelke said he was unable to determine the secondary tax rate. He noted that Senate Bill 1036 reduces the assessment ratios for commercial properties, which would increase the taxes assessed on homeowners. He also asked if the secondary property tax would be levied on prior bond authorizations.

Mayor Smith advised that the Council is scheduled to discuss specific tax rates at the July 8, 2009 Regular Council meeting. He noted that the State government is shifting the tax burden to

local municipalities, and he suggested that Mr. Schuelke express his concerns to his representatives in the State Legislature.

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

4. Conduct a public hearing concerning electric, irrigation water, natural gas, reclaimed water, wastewater and water rate components fees and/or service charges adjustments.

Mayor Smith announced that this was the time and place for a public hearing regarding electric, irrigation water, natural gas, reclaimed water, wastewater and water rate components fees and/or service charges adjustments.

Thomas Schuelke stated the opinion that the Utility subsidy to the General Fund should be reduced and that those who receive City services should pay an amount equal to the cost of the service. He suggested that the subsidy could be eliminated by forming a new fire district that would include county islands and be funded by a property tax. Mr. Schuelke further stated that eliminating the Utility revenue subsidy to the General Fund would eliminate a major obstacle with regard to a possible sale of the City's electric utility.

Mayor Smith thanked Mr. Schuelke for his interest and for presenting his suggestions.

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

5. Take action on ordinances and resolutions relating to utility rates:

Mayor Smith announced that items 5a through 5f would be read into the record and considered by the Council in one vote.

- 5a. Take action on an ordinance and resolution to decrease specific rates for electric utility services – Ordinance No. 4929 and Resolution No. 9520.
- 5b. Take action on an ordinance and resolution modifying rates for natural gas utility services – Ordinance No. 4930 and Resolution No. 9521.
- 5c. Take action on an ordinance and resolution modifying rates for wastewater utility services – Ordinance No. 4931 and Resolution No. 9522.
- 5d. Take action on an ordinance and resolution modifying rates for water utility services – Ordinance No. 4932 and Resolution No. 9523.
- 5e. Take action on an ordinance and resolution modifying the Terms and Conditions for the Sale of Utilities – Ordinance No. 4933 and Resolution No. 9524.
- 5f. Take action on an ordinance and resolution modifying the fees and charges for Utility Customers – Ordinance No. 4934 and Resolution No. 9525.

It was moved by Vice Mayor Jones, seconded by Councilmember Finter, that Ordinance Nos. 4929, 4930, 4931, 4932, 4933 and 4934 and Resolution Nos. 9520, 9521, 9522, 9523, 9524, and 9525 be adopted.

Mayor Smith declared the motion carried unanimously by those present and Ordinance Nos. 4929, 4930, 4931, 4932, 4933 and 4934 and Resolution Nos. 9520, 9521, 9522, 9523, 9524, and 9525 adopted.

Mayor Smith announced at 6:15 p.m. that the Regular Council meeting would stand at recess in order to convene a Special Council meeting for the purpose of approving the Budget and Five-Year Capital Improvement Program.

Mayor Smith reconvened the Regular Council meeting at 6:17 p.m.

6. Take action on the following resolutions:

- *6a. Modifying fees and charges for the Arizona Museum for Youth and Mesa Arts Center – Resolution No. 9500.
- *6b. Eliminating the fees previously associated with revisions to the City Code Book – Resolution No. 9501.
- *6c. Modifying fees and charges for the Parks, Recreation and Commercial Facilities Department – Resolution No. 9502.
- *6d. Establishing fees and charges for a City Service Application Fee and a Utility Service Fee – Resolution No. 9503.
- *6e. Modifying fees and charges for Falcon Field Airport – Resolution No. 9504.
- *6f. Modifying fees and charges for traffic counts related to the speed hump program – Resolution No. 9505.
- *6g. Establishing fees and charges for earbuds for the Library Department – Resolution No. 9506.
- 6h. Modifying fees and charges for the Federal Environmental Compliance Fee – Resolution No. 9528.

Thomas Schuelke stated that although the Council's discussion at an April 23, 2009 Study Session indicated that the transfer to the General Fund from Utility operations would be frozen, increasing the Federal Environmental Compliance fee for Utility customers appears to breach the policy. He reiterated his earlier comments that the Utility subsidy to the General Fund should be eliminated.

It was moved by Vice Mayor Jones, seconded by Councilmember Somers, that Resolution No. 9528 be adopted.

Mayor Smith declared the motion carried unanimously by those present and Resolution No. 9528 adopted.

*7. Approval of minutes of previous meetings as written:

Minutes of the February 12, May 28 and June 1, 2009 Council meetings.

8. Take action on the following liquor license applications:

*8a. Apache Wells Country Club Restaurant & Lounge

New Restaurant License for Apache Wells Country Club Restaurant & Lounge, 5601 E. Hermosa Vista Drive, Apache Wells Country Club Inc. – Applicant, Randy D. Nations – Agent. The previous Restaurant License held at this location by The Jeebp LLC., issued September 6, 2007, was closed on February 5, 2009 **(District 5)**.

9. Take action on the following bingo application:

*9a. BINGO – CLASS A

Fraternal Order of Eagles #4508 **(District 5)**
Allen R. Beiling, Secretary
6209 E. Main Street
Mesa, AZ 85275

10. Take action on the following contracts:

*10a. Term contract for PE Natural Gas Pipe & Fittings for Energy Resources, Gas Division **(Citywide)**.

The Business Services Department recommends awarding the contract to the lowest, responsive and responsible bidder, ISCO Industries, LLC at \$205,854.29, including applicable use tax.

*10b. Purchase of two (2) replacement programmable Logic Controllers for the Water Resources Department (Water Bond Funded) **(Citywide)**.

The Business Services Department recommends authorizing purchase from the lowest, responsive and responsible bidder, Intecon, Inc., dba National Automation Services at \$89,904.61, including applicable sales tax.

*10c. Purchase of ten (10) digital portable radios for the Police Department (Fully Funded HIDTA Federal Grant Program) **(Citywide)**.

The Business Services Department recommends authorizing purchase from the cooperative contract with Motorola at \$53,447.47, including applicable Mesa sales tax.

*10d. Purchase and Installation of Telephone and Data Network Equipment for the Municipal Court (Law Enforcement Construction Bond Funded) **(Citywide)**.

The Business Services Department recommends authorizing purchase from the cooperative contracts with Enterasys Secure Networks at \$ 233,288.54 and Black Box Network Services at \$ 41,878.33, for a total of \$275,166.87, including applicable taxes.

- *10e. Purchase of a replacement Aircraft Rescue and Fire Fighting Vehicle for the Fire Department (Fire Bond Funded) **(Citywide)**.

The Business Services Department recommends authorizing purchase from Pierce Manufacturing, Inc. at \$773,595.65, including applicable use tax.

- *10f. Ratification of emergency purchase of Respirator Masks and Accessories for the Fire Department (Fully Funded Metropolitan Medical Response System [MMRS] Grant) **(Citywide)**.

The Business Services Department recommends ratification of the purchase from Grainger at \$39,973.80, including applicable sales tax.

- *10g. Purchase of fifty (50) Cyanokits (Pharmaceutical Antidote for Cyanide Poisoning) for the Fire Department (Fully Funded Metropolitan Medical Response System [MMRS] Grant Program) **(Citywide)**.

The Business Services Department recommends awarding the contract to the single bidder, Henry Schein Inc., dba Matrix Medical at \$37,722.43, including applicable use tax.

- *10h. Purchase of one (1) replacement Uninterruptible Power Supply (UPS) for the Police Department **(District 4)**.

The Business Services Department recommends authorizing purchase from the cooperative contract with Gruber Technical, Inc., dba Gruber Power Services at \$55,716.73, including applicable sales tax.

- *10i. Gas Main Extension, Gantzel Road - Roberts Road to Empire Road **(Pinal County)**.

City Project No. 02-356-001. This project will install approximately 10,300 linear feet of 8-inch high pressure gas pipe and approximately 10,300 linear feet of 4-inch gas pipe to provide for a more reliable gas service to the new Florence High School and other customers within the Magma Gas System.

Recommend award to the low bidder, NPL Construction Company, in the amount of \$355,650.00, plus an additional \$35,565.00 (10% allowance for change orders) for a total award of \$391,215.00. This project is funded from the adopted FY 09/10 Gas Bond Program.

- *10j. 2008/2009 Arterial Street Overlays, Gilbert Road – Decatur Street to McKellips Road, Lindsay Road – Lockwood Street to McDowell Road **(Districts 1, 2 and 5)**.

City Project No. 06-044-007. This project includes approximately 85,000 square yards of rubber asphalt overlay. Street segments included are Gilbert Road from Decatur Street to McKellips Road and Lindsay Road from Lockwood Street to McDowell. The work will include some new sidewalk and sidewalk ramps where needed; the installation of a new storm drain system on Gilbert Road from Brown Road to McKellips Road; and traffic signal conduit on Gilbert Road from Decatur Street to McKellips Road.

Recommend award to the low bidder, Nesbitt Contracting Company, in the amount of \$1,830,066.10 plus an additional \$183,006.61 (10% allowance for change orders) for a total award of \$2,013,072.71. Funding is available from the approved FY 09/10 Transportation Operating Budget.

11. Take action on the following resolutions:

- *11a. Approving and supporting the submittal of a grant application by SIRRINE Adult Day Care to the Gila River Indian Community in the amount of \$90,000 for community outreach activities – Resolution No. 9507.
- *11b. Approving and supporting the submittal of a grant application by Creative Innovations, Inc. to the Gila River Indian Community in the amount of \$50,000 for family preservation and social services – Resolution No. 9508.
- *11c. Approving and supporting the submittal of a grant application by the House of El-Elyon to the Gila River Indian Community in the amount of \$90,000 for teen and adolescent mothers' services – Resolution No. 9509.
- *11d. Approving and supporting the submittal of a grant application by Foundation for Burns and Trauma Inc. to the Gila River Indian Community in the amount of \$150,000 for the operation of the Forever Courage House, a teen-family temporary lodging facility near the Arizona Burn Center at Maricopa Medical Center – Resolution No. 9510.
- *11e. Approving and supporting the submittal of a grant application by the Foundation for Mesa Parks & Recreation, Save Our Train Committee to the Gila River Indian Community in the amount of \$50,000 for relocating and restoring Engine #2355 within Pioneer Park – Resolution No. 9511.
- *11f. Approving and supporting the submittal of a grant application by the Gene Lewis Boxing Club, Inc. to the Gila River Indian Community in the amount of \$225,000 over three years for facility and equipment expansion in order to serve an increased enrollment of youth – Resolution No. 9512.
- *11g. Approving and supporting the submittal of a grant application by Junior Achievement of Arizona, Inc. to the Gila River Indian Community in the amount of \$50,000 for Junior Achievement programs in Mesa Schools – Resolution No. 9513.
- *11h. Approving and authorizing the City Manager to execute an Intergovernmental Agreement between the City of Mesa and the Salt River Project Agricultural Improvement and Power District to share radio communications sites – Resolution No. 9514.
- *11i. Approving and authorizing the City Manager to execute an Airport Development Grant Agreement between the State of Arizona, Arizona Department of Transportation (Aeronautics Division) and the City of Mesa for \$28,598.00 for expansion of aircraft run-up area and the design of airfield storm drainage system improvements – Resolution No. 9515 **(District 5) (Related to Item 11j)**.
- *11j. Authorizing investments in the Local Government Investment Pool (LGIP) and authorizing the City Manager or his designated representative to deposit, transfer and withdraw

monies in the LGIP for an Aviation Fund Grant – Resolution No. 9516 **(Related to Item 11i)**.

- *11k. Vacating an alley located south of East Holmes Avenue, between South Mesa Drive and South Hobson Street, in the 500 block of East Hilton Avenue – Resolution No. 9517 **(District 4)**.

This alley is being vacated at the request of the adjacent property owners to better secure the area. A Public Utility and Facilities Easement will be retained for access by the utility companies.

- *11l. Granting a Power Distribution Easement to Salt River Project on City-owned property located at 3260 North 40th Street – Resolution 9518 **(District 5)**.

The easement is needed for the Salt River Project to install the needed facilities to upgrade the electrical system at the City's Public Safety Training Facility.

- *11m. Authorize the purchase of vacant land located north of the Mesa Cemetery Property and west of North Center Street – Resolution 9519 **(District 1)**.

This land will be for future Mesa Cemetery use. The purchase price is \$670,000 (Cemetery Perpetual Care Fund).

12. Introduction of the following ordinances and setting July 1, 2009, as the date of the public hearing on these ordinances:

- *12a. Amending various sections of the Mesa City Code regarding the following traffic modifications:

Prohibiting Turns from Driveways: 10-3-15 (B)

On the west side of 48th Street from the driveway with centerline approximately 55 feet south of Main Street **(District 5)**.

- *12b. **Z09-10 (District 4)** 254 South Pomeroy. Located north of Broadway Road and west of Mesa Drive (12.87± acres). Rezone from TCR-3 to TCB-2 and Site Plan Review. This case will allow the development of an office/industrial project.

DDC Recommendation: Approval with conditions (Vote: 6 – 0) (Boardmembers Flick, Gallagher, Chucrí, and Holtz absent).

- *12c. **Z09- 11 (District 3)** 610 West Jerome Avenue. Located west of Country Club Drive and north of Baseline Road (1.8± acres). Rezone from M-1 to M-1-BIZ and Site Plan Review. This case will allow the development of a children's hospital. Hacienda Healthcare, owner; John Szafran, DPA Architects, applicant.

P&Z Recommendation: Approval with conditions (Vote: 5 – 0) (Boardmembers Salas and Roberts absent).

- *12d. **Z08-47 (District 6)** The 8200 to 8500 blocks of East Baseline Road (north side) Located west of the Loop 202 on the north side of Baseline Road (54± acres). Rezone from AG (conceptual M-1, C-2, O-S, R-3, and R-2) to C-2 (34± acres) and R-4 (20± acres) and the establishment of the “Baseline Center” Development Master Plan (DMP). This request will establish a Development Master Plan to allow the creation of a development with a mixture of residential, office and retail uses. David Glimcher, GVSW 202/60 LLC, owner; Susan Demmitt, Beus Gilbert PLLC, applicant.

P&Z Recommendation: Approval with conditions. (Vote: 4 – 0 – 1) (Boardmember Carter abstained, Boardmembers Salas and Roberts absent).

13. Discuss, receive public comment, and take action on the ordinances introduced at a prior Council meeting. Any citizen that wants to provide comment should submit a blue card to the Clerk before the item is voted on. If a citizen wants to comment on an item listed with an asterisk (*), a blue card must be given to the Clerk before Council votes on the consent agenda:

- *13a. Amending various sections of the Mesa City Code regarding the following traffic modifications:

City Code Title 10, Chapter 3

Modify City Code Title 10, Chapter 3, Section 15 to allow all turns to be prohibited at certain times at specified driveways. This section currently only provides for left turn prohibitions – Ordinance No. 4926.

Prohibiting Turns from Driveways: 10-3-15 (C)

On the east side of Power Road between 8:30 am and 9:00 am and between 3:30 pm and 4:00 pm, school days from the driveway with centerline approximately 360 feet north of Adobe Street (Power Road south of Brown Road) (**District 5**).

Prohibiting Turns from Driveways: 10-3-15 (D)

On the west side of Alma School Road from the driveway with centerline approximately 330 feet north of 8th Street and on the east side of Alma School Road from the driveway with centerline approximately 213 feet north of 8th Street during times when emergency traffic signal preemption at Fire Station #218 is activated (Alma School Road north of University Drive) (**District 1**).

- *13b. Amending section 5-10-310 of the Mesa City Code regarding Privilege Tax Licenses, making the license renewal date January 1 annually for all licenses, to be compliant with the Arizona Model City Tax Code – Ordinance No. 4927.

- *13c. **Z09-09 (District 6)** 3361 South Signal Butte Road. Located north of Elliot Road on the east side of Signal Butte Road (2.23± acres). Site Plan Review. This request will allow the development of a City of Mesa Fire Station – Ordinance No. 4928. City of Mesa owner/applicant.

PHO Recommendation: Approval with conditions.

*14. 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. Approving proposed Ray Road alignment from Power Road to Ellsworth Road. (District 6).

City Project No. 01-205-001. Detailed design for the proposed improvements (including pavement, water, and wastewater) is currently underway for Ray Road and Hawes Road.

16. Items from citizens present.

Thomas Schuelke recommended a book titled, "Economics in One Lesson" by Henry Hazlitt. He referenced the author's statement that a frequent policy fallacy is to concentrate on the short-term effects for special groups without considering the long-term effects on the community as a whole. He suggested that the Council be cognizant of this when special interests come forward with requests of City government.

Mayor Smith thanked the Councilmembers, staff and citizens for their contributions.

17. Adjournment.

Without objection, the meeting adjourned at 6:22 p.m.

SCOTT SMITH, MAYOR

ATTEST:

LINDA CROCKER, 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 22nd day of June 2009. I further certify that the meeting was duly called and held and that a quorum was present.

LINDA CROCKER, CITY CLERK

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