



COUNCIL MINUTES

June 2, 2011

The City Council of the City of Mesa met in a Study Session in the lower level meeting room of the Council Chambers, 57 East 1st Street, on June 2, 2011 at 7:30 a.m.

COUNCIL PRESENT

Scott Smith
Alex Finter
Christopher Glover
Dave Richins
Scott Somers

COUNCIL ABSENT

Dina Higgins
Dennis Kavanaugh

OFFICERS PRESENT

Christopher Brady
Linda Crocker

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

Mayor Smith excused Councilmembers Higgins and Kavanaugh from the entire meeting.

1. Review items on the agenda for the June 6, 2011 Regular Council meeting.

All of the items on the agenda were reviewed among Council and staff and the following was noted:

Conflicts of interest: None

Items removed from the consent agenda: None

2-a. Hear a presentation and discuss the ASU Polytechnic Campus roadway and utility improvements project.

Economic Development Project Manager Scot Rigby introduced City Engineer Beth Huning, Neal Caffrey, representing ASU Polytechnic, and John Schroeder, Provost of Chandler-Gilbert Community College – Williams Campus.

Mr. Rigby displayed a PowerPoint presentation (**See Attachment 1**) and provided a brief historical overview of the partnership forged between ASU Polytechnic (ASU Poly) and Chandler-Gilbert Community College (CGCC) in 1993 when both entities received property at the former Williams Air Force Base. (See Page 2 of Attachment 1) He stated that within the past few years, both institutions have received national and international recognition and noted that enrollment has climbed to more than 10,000 students at ASU Poly and over 4,000 students at CGCC.

Mr. Rigby explained that the two institutions, which enable individuals to obtain an education from high school through the Ph.D. level, are key assets to the City of Mesa and Phoenix-Mesa Gateway Airport in recruiting/retaining businesses such as Cessna, Intel, Boeing, Able Engineering and First Solar. He also remarked that the infrastructure at both campuses was aging and substandard and added that such limitations deter future growth.

Mr. Rigby further advised that in 2006 and 2008, Mesa voters approved water, wastewater and street bonds and said that a portion of those bond monies were dedicated to fund the construction of new, critical infrastructure at the Gateway campuses of ASU Poly and CGCC. He noted that since 2006, City staff has worked on the concept/design of a Loop Road, now called Innovation Way, and the underlying water/wastewater systems that would enable the expansion of both campuses. Mr. Rigby added that construction was slated to begin in June of this year, with completion in the summer of 2012. He reviewed a map of the site illustrating the adjacent properties that would benefit from the new infrastructure. (See Page 6 of Attachment 1)

Discussion ensued relative to recent upgrades and improvements at the CGCC-Williams campus (See Pages 8 and 9 of Attachment 1); that CGCC is considered a "top tier college," which focuses on aviation, nursing and law enforcement; and that the college intends to increase its enrollment from 4,000 students to 12,000 to 15,000 students.

Mr. Caffrey offered a brief overview of ASU Poly's plans for growth at its campus, which will be enhanced by the completion of Innovation Way and the associated infrastructure systems. He stated that the proposed upgrades could not be accomplished without the assistance of the City of Mesa. Mr. Caffrey referred to a map of the proposed route of Innovation Way and also highlighted a series of projects in the northeast quadrant of the ASU Poly campus, including a new housing project for freshmen, dining facility and recreation area. (See Pages 11 through 15 of Attachment 1) He commented that ASU Poly currently has a limited night life and said that it was anticipated that the new dining/recreation facilities would create "gathering spots" for students residing on campus.

Further discussion ensued relative to the fact that ASU Poly is a City of Mesa water customer; that due to the age/condition of the existing pipes, the City currently operates a low pressure water system on campus; that the proposed construction project includes the installation of a 16-inch loop beneath the road that would enable the City to operate a full pressure domestic water system on the site; that the housing/dining components will open for the Fall 2012 semester, with the recreation facility slated to open at mid-semester of 2013; and that ASU Poly's ultimate goal was to build 4,000 units of new housing on campus.

Councilmember Finter commented that with ASU Poly as a major City water customer, Mesa would generate significant revenue as a result of the proposed projects and infrastructure improvements.

In response to a series of questions from Councilmember Richins, Ms. Huning clarified that the completion of Innovation Way and the associated infrastructure improvements, at an estimated cost of \$11.6 million, are the City's primary investments at ASU Poly to date. She also reviewed a \$22 million regionally funded Power Road project, which will construct a six-lane arterial from the 202 to Pecos Road, and benefit not only ASU Poly, but the entire region as a whole. Ms. Huning added that the City recently completed construction of Fire Station 215 and was in the process of completing several other water line projects in the area.

Mr. Rigby concluded his presentation by stating that at the June 6, 2011 Regular Council meeting, the Council would consider an Intergovernmental Agreement (IGA) between the City of Mesa and ASU Poly for the design and completion of the above-referenced improvements and approval of the contract for the Innovation Way project.

Mayor Smith thanked everyone for the presentation and commented that these projects represent a partnership between the City of Mesa, CGCC and ASU Poly.

2-b. Hear a presentation and discuss the FY 11/12 Tentative Budget.

Acting Budget Director Candace Cannistraro displayed a PowerPoint presentation (**See Attachment 2**) and reported that today's presentation was an overview of the FY 2011/12 Tentative Budget, which would be included on the June 6, 2011 Regular Council meeting agenda for introduction.

Ms. Cannistraro highlighted various budget limitations set by the State of Arizona (See Page 2 of Attachment 2) and explained that a Home Rule option, which was approved by Mesa voters in 2010, allows the City's maximum budget amount to be set equal to the projected available resources. She also noted that Mesa's Tentative Budget sets the maximum dollar amount for the final budget.

Ms. Cannistraro advised that the City of Mesa's FY 2011/12 Tentative Budget, which totals \$1,162,955,022, is comprised of the Operating Portion (\$883,054,279), Bond Capital Improvement (\$159,900,743), and Anticipated Carryover (\$120,000,000). She stated that the Operating Portion includes "All Funds" (i.e., Grants, Transportation Restricted Funds, Utilities/Enterprise Fund, Bond Expenditures, All Other Restricted & Trust Funds, and General Governmental Operations/Maintenance); that the Bond Capital Improvement represents the anticipated bond proceeds for FY 2011/12; and that the Anticipated Carryover includes projects/items from the FY 2010/11 appropriation that will not be completed by the end of this fiscal year and that such appropriation would be renewed for FY 2011/12.

Ms. Cannistraro displayed a document titled "Fiscal Year 2011/12 General Governmental Operations and Maintenance Preliminary Budget \$305.0 million" (**See Attachment 3**) and briefly discussed the proposed FY 2011/12 discretionary appropriation for Police, Fire, Judicial, Parks, Library & Culture, Community, and All Other Programs. She stated that the outer ring of the chart illustrates the revenues that are used to cover such costs (i.e., State Shared Revenues, a portion of the Local Sales Tax, a portion of Enterprise Transfer, Fees for Service, and Other General Revenues).

Mayor Smith thanked staff for the presentation.

2-c. Hear a presentation, discuss and provide direction on the proposed Freeway Landmark Monument sign for Mesa Grand, located at the southeast corner of Stapley and US Highway 60 (Case Z11-13).

Planning Director John Wesley reported that with respect to this case, a question was raised whether, when the original AMC Theater project was approved at this site, there were any discussions or agreements made regarding the manner in which signage would be addressed at this site. He explained that staff reviewed various minutes and reports of those proceedings and

were unable to find that any agreements that would have disallowed a Freeway Landmark Monument (FLM) sign at this location.

Mr. Wesley displayed a PowerPoint presentation (**See Attachment 4**) and stated that the applicant was requesting to remove the existing AMC Theater sign located along the freeway and replace it with a 65-foot high FLM sign, with 542 square feet of sign area. (See Page 2 of Attachment 4) He stated that one of the options the applicant proposed was that the sign have an electronic message board. (See Page 4 of Attachment 4)

Mr. Wesley commented that the proposed sign conforms to all of the FLM Guidelines except for the criteria that it be located a distance of no less than ten times the proposed height of the FLM from existing residential uses. He noted that because there was a residential neighborhood on the north side of the freeway 575 feet away, the sign should be no taller than 57.5 feet. (See Page 5 of Attachment 4)

Mr. Wesley further reported that staff conducted photo simulations (at 50 feet, 60 feet and 70 feet) to determine the appropriate height of the sign. (See Page 6 of Attachment 4) He also briefly reviewed the Conditions of Approval as contained in the Ordinance for introduction (See Pages 7 and 8) and clarified that the proposed stipulations are included in bold type.

In response to a question from Vice Mayor Somers, Mr. Wesley advised that the applicant conducted outreach with the neighborhood to the north of the freeway. He explained that staff received a call from one resident who expressed concern regarding the proposal, but added that the individual did not attend any hearings concerning this matter.

Responding to a question from Mayor Smith, Mr. Wesley explained that with regard to the electronic message display, the intensity of the Light Emitting Diode (LED) display shall not exceed the levels specified in the FLM Guidelines. He stated that a sign's light intensity is pre-set by the factory and is not to exceed specified levels. Mr. Wesley added that if staff determined that such signs were not properly maintained, they would advise the property owner of that fact.

Mayor Smith expressed concern with respect to electronic message displays that are "more prone to get out of sync" and flashing bright lights at night, which have the potential to "invade" surrounding residential neighborhoods.

Councilmember Richins commented that he preferred that the Council make a clear determination as to whether the sign will have an electronic message board, as opposed to a static sign, and not leave that decision up to the applicant. He remarked that the proposed sign was similar to several FLM signs at Riverview which, in his opinion, were unappealing. Councilmember Richins also stated that he would like to see the City "raise the bar" with respect to the design of such signs and suggested that the FLM sign at Dana Park was well designed and reflected the architecture of the center. He noted that he could not support the current proposal and added that "it barely mimics the architecture of the center."

Mayor Smith concurred with Councilmember Richins that the FLM sign at Dana Park was integrated with the architecture and "a higher standard" than the current proposal. He reiterated his concerns regarding electronic message displays and added that the City "could probably do better" with respect to the design of the sign.

Councilmember Richins further remarked that he was offended that the applicant would bring such a proposal to Mesa and added that such a design would never be presented in Scottsdale.

In response to a question from Councilmember Finter, Mr. Wesley clarified that this case was presented to the Design Review Board and the Planning and Zoning Board, both of which recommended approval of the sign as presented.

Mayor Smith suggested that the applicant make further revisions to the FLM sign proposal.

Councilmember Richins clarified that he was not opposed to FLM signs, but expected that an applicant would bring a quality design to Mesa.

Mayor Smith thanked Mr. Wesley for the presentation.

2-d. Hear a presentation, discuss and provide direction on the Zoning Code Update.

(The Study Session reconvened at 9:46 a.m.)

Vice Mayor Somers stated that this item was continued to a future Study Session.

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

3-a. Library Advisory Board meeting held January 18, 2011.

3-b. Museum and Cultural Advisory Board meeting held on March 24, 2011.

(This item was continued to a future Study Session.)

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

There were no reports on meetings and/or conferences attended.

5. Scheduling of meetings and general information.

(This item was continued to a future Study Session.)

6. Items from citizens present.

(This item was continued to a future Study Session.)

7. Convene an Executive Session.

It was moved by Vice Mayor Somers, seconded by Councilmember Richins, that the Council adjourn the Study Session at 8:38 a.m. and enter into Executive Session.

Mayor Smith declared the motion carried unanimously by those present and an Executive Session was convened at 8:39 a.m.

7-a. Discussion or consultation with the designated representatives of the City in order to consider the City's position and instruct the City's representative regarding negotiations with employee organizations regarding salaries, salary schedules or compensation paid in the form of fringe benefits of employees of the City. (A.R.S. §38-431.03A(5))

1. Meet and Confer – United Mesa Firefighters

7-b. Discussion or consultation with designated representatives of the City in order to consider the City's position and instruct the City's representatives regarding negotiations for the purchase, sale, or lease of real property. (A.R.S. §38-431.03A (7)) Discussion or consultation with the City Attorney in order to consider the City's position and instruct the City Attorney regarding the City's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation. (A.R.S. §38-431.03A(4)) Discussion or consultation for legal advice with the City Attorney. (A.R.S. §38-431.03A (3))

1. Hibbert and University

(The Council adjourned the Executive Session at 9:45 a.m. and reconvened the Study Session at 9:46 a.m.)

8. Adjournment.

Without objection, the Study Session adjourned at 9:47 a.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 Study Session of the City Council of Mesa, Arizona, held on the 2nd day of June, 2011. I further certify that the meeting was duly called and held and that a quorum was present.

LINDA CROCKER, CITY CLERK

ASU Poly Innovation Loop

A partnership to further educational growth
with ASU Poly and Chandler Gilbert
Community College (CGCC)
June 2, 2011

A Short History

- ASU and Chandler Gilbert Community College received portions of the former Williams Air Force Base in 1993
- Originally named ASU East, the campus opened in the mid 1990s utilizing the remaining base facilities and housing
- Both ASU and CGCC accepted old, tired facilities with deteriorating buildings, environmental concerns and crumbling roads built back in the 1950s.
- In the early days, CGCC and ASU East numbered enrollment as a few hundred, hardy students

Growing Excelling Institutions

- Within the past few years, both institutions have received national and international acclaim and recognition.
- Enrollment has climbed to more than 10,000 at ASU Poly and more than 4,000 at CGCC
- EVIT will open new facility on ASU Poly property Fall 2011
- Education campus enables high school through PhD level
- Key asset to City and Airport in recruiting and or retaining businesses: Cessna, Hawker-Beechcraft, Embraer, Intel, Boeing, CERL, Able Engineering and First Solar

Tired Infrastructure

- Infrastructure is aging, substandard, and increasingly failing

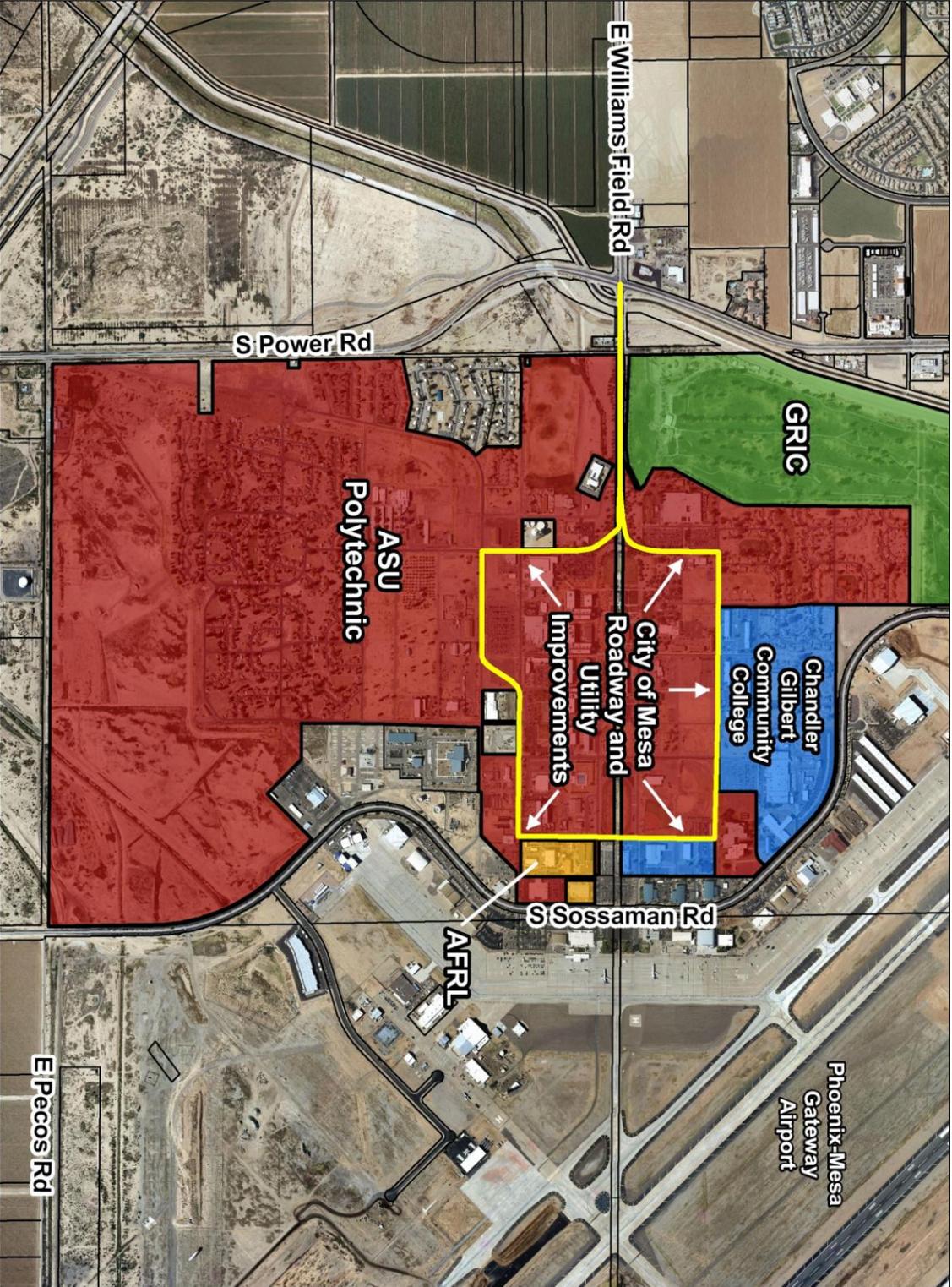


- System limitations are becoming ceilings for future growth

City of Mesa Investing in Education

- In 2006 and in 2008 Mesa citizens approved water, wastewater and street bonds. Part of the approved bonds that were passed were to build new, critical infrastructure at Gateway campuses of ASU Poly and CGCC
- City has been working with ASU Poly and CGCC since 2006 on the concept and design of a Loop Road and underlying water and wastewater that would provide a central transportation
- Slated to start Summer 2011 and complete Summer 2012
- SRP has already started removing, replacing and undergrounding lines

Project Map-Innovation Loop



Poised to Excel: AFRL

- Air Force Research Lab adjacent to Project. Will receive new road access and utilities
- Poised to continue its mission with the Military Defense Complex (MDC) and the City's assuming of ownership



CGCC: A New Level of Community College

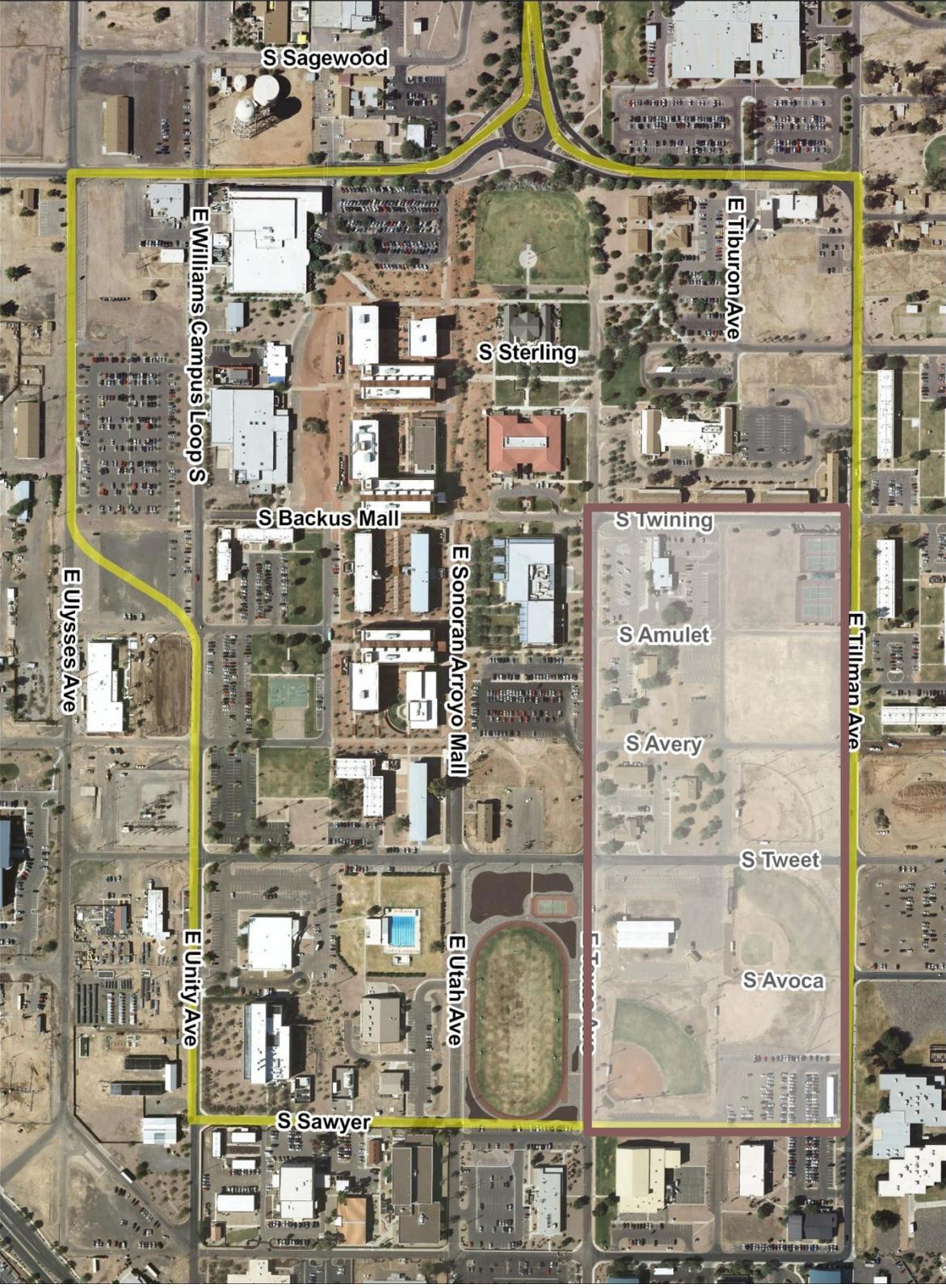
- Top tiered college with focuses on aviation, nursing, fire, law enforcement
- Currently 4K students with intentions to grow to 12-15K



CGCC Cont



ASU 2011: Poised for Growth



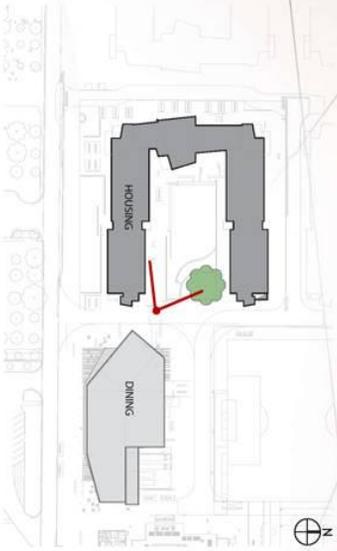
Ring Road

Housing

Dining

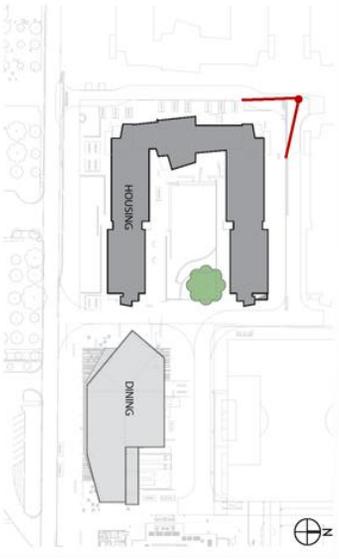
Recreation





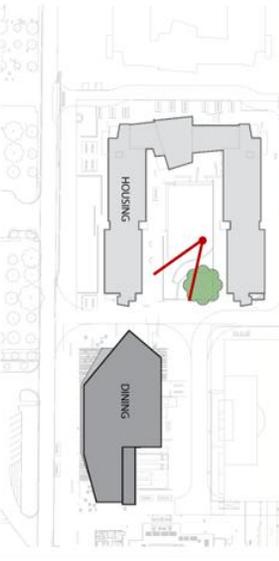
Polytechnic Housing

ASU Inland American
COMMUNITIES GROUP, INC. **CORE**



Polytechnic Housing



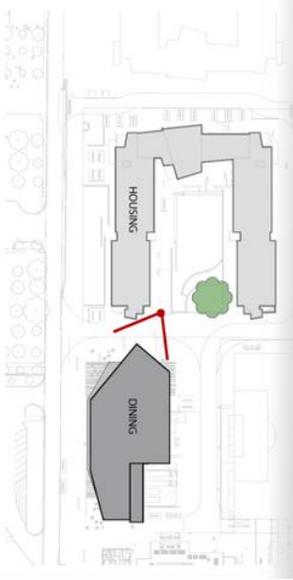


Polytechnic Dining





Polytechnic Dining



Ring Road

Housing

Dining

Recreation



Next Steps

- COM/ASU IGA consideration: June 6th council meeting
- Consideration of Project GMP (Guaranteed Maximum Price)
June 6th council meeting
- Notice to Proceed: June 13, 2011
- Questions?

City of Mesa

FY 11/12 Tentative Budget Overview

June 2, 2011

Presented by the Budget and Research Department



Budget Limitations

- The State sets the maximum budget amount for municipalities based on a formula of population growth and inflation.
- Municipalities may opt out of the State requirement by passing an expenditure limitation option.
- Mesa voters approved a Home Rule option in the fall of 2010, which is affective through FY14/15.
- Home Rule allows the maximum budget amount to be set equal to the projected available resources.

Tentative Budget Requirement

- The State requires that the City Council adopt a tentative budget on or before the third Monday in July.
- The tentative budget sets the maximum dollar amount for the final budget.
- For the City of Mesa, the tentative budget is comprised of three components.
 - Operational, Bond Capital Improvement and Anticipated Carry-over.

FY 11/12 Tentative Budget

Operating Portion	\$ 883,054,279
Bond Capital Improvement	\$ 159,900,743
Anticipated Carry-over	\$ 120,000,000
<hr/>	
Total Tentative Budget	\$ 1,162,955,022

FY 11/12 Anticipated Carry-over

Operating Estimate	\$23M
Capital Improvement Estimate	\$28M
<u>Bond Capital Improvement Estimate</u>	<u>\$69M</u>
Total Anticipated Carry-over Estimate	\$120M

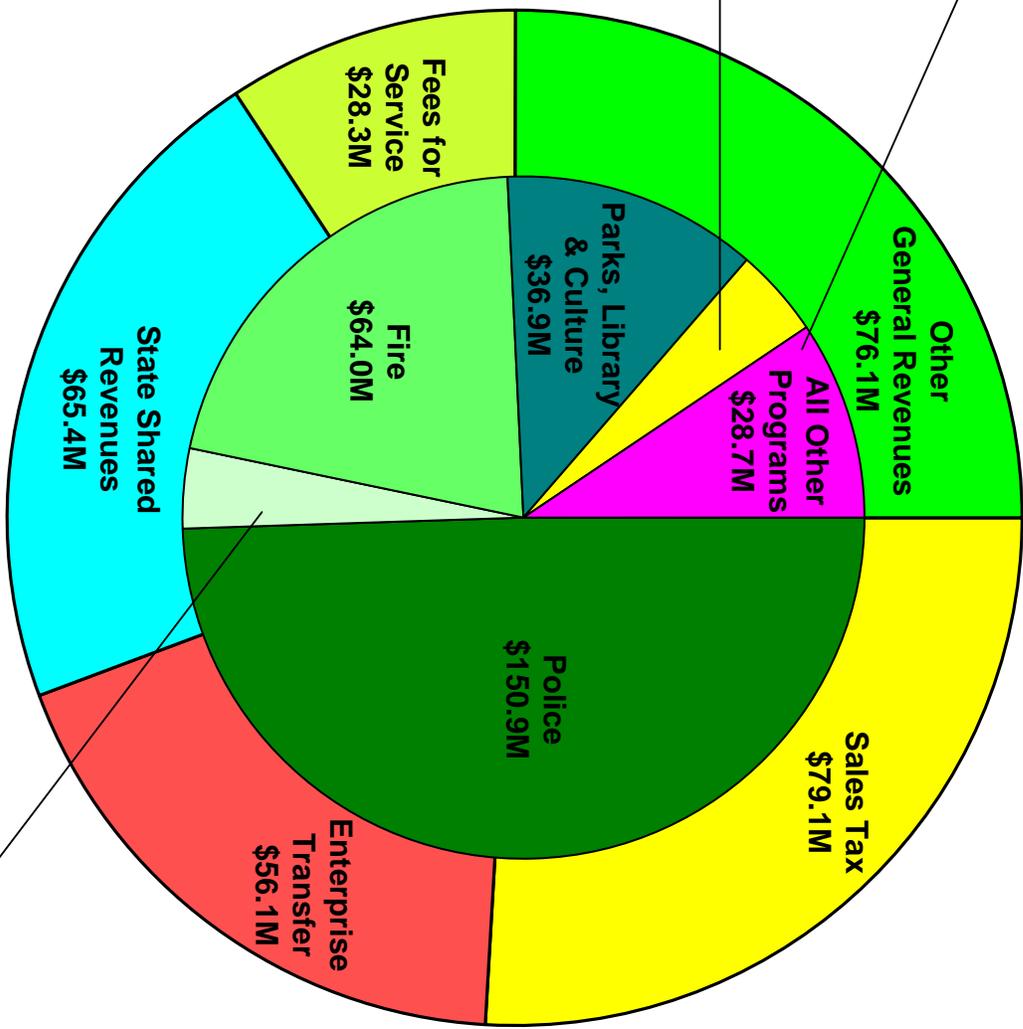


Fiscal Year 2011/12 General Governmental Operations & Maintenance Preliminary Budget \$305.0M

Financial Services \$7.6M
 Engineering \$2.5M
 General Services \$3.5M
 Williams Gateway \$4.4M
 Town Center Dev. \$1.0M
 All Other Services \$9.7M

Community \$12.9M

Planning \$2.1M
 Code Compliance \$0.9M
 Community Aid \$2.7M
 Neighborhood Serv. \$2.9M
 Development Serv. \$4.3M



Note: Excludes revenues and expenditures related to capital, debt service, grants, contingency and restricted use funds.

* Revenues are proportionately allocated to fund debt service, contingency and non-grant capital appropriations.



Freeway Landmark Sign Proposal

Case Z11 - 13



Mesa Grand



- No specific information on signage



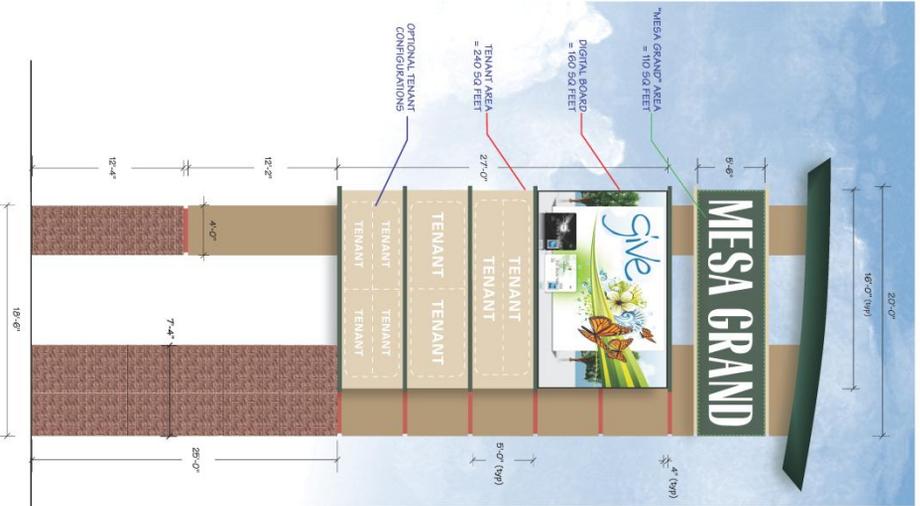


Sign Request

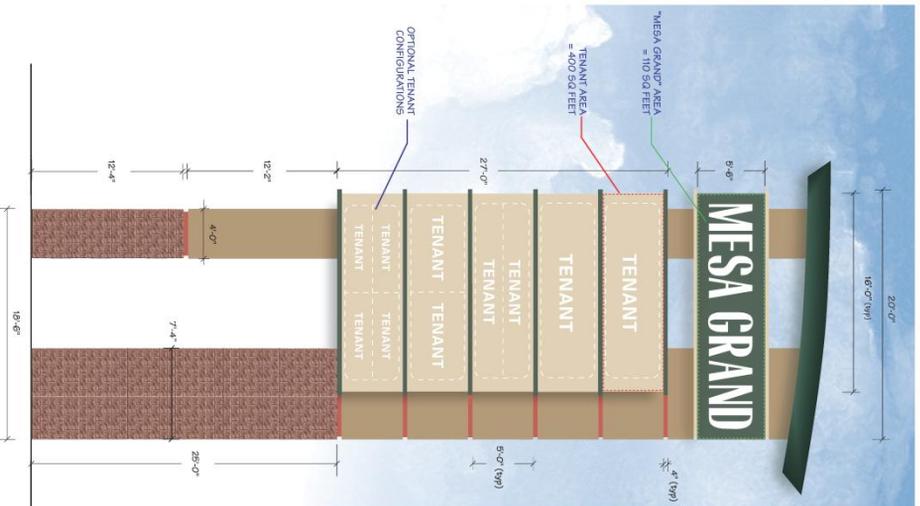
- Remove existing AMC Theater sign
- Replace with Freeway Landmark Monument sign
 - 65' tall
 - 542 sq. ft. of sign area
 - Option for electronic message board



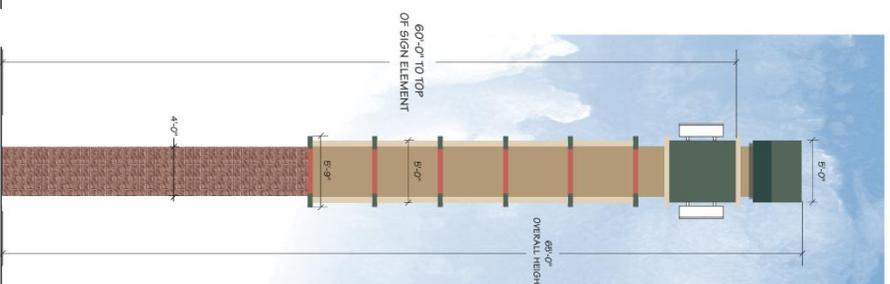
Sign Request



CONCEPTUAL FREEWAY LANDMARK MONUMENT
 ELECTRONIC MESSAGE CENTER OPTION
 ELEVATION
 SCALE: 1/8" = 1'-0"



CONCEPTUAL FREEWAY LANDMARK MONUMENT
 STATIC OPTION
 ELEVATION
 SCALE: 1/8" = 1'-0"



SIDE VIEW
 SCALE: 1/8" = 1'-0"

- "PINE HAVEN" DE S173
- "HEMLOCK CRT" DE S117
- "PAIN PLAN" DE B037
- "VERONA BEACH" DE B035

CITY OF MESA DRB
 OPTION "B"



bleier INDUSTRIES
 8950 WEST ROSSWELL STREET
 TOLLESON, ARIZONA 85383
 FAX: 602-398-0753
 SALES@BLEIERINDUSTRIES.COM

Project: Mesa Grand
 Sign: Mesa Grand Freeway Landmark Monument
 Location: 2004-H-02
 Date: 02/07/11
 Scale: AS NOTED
 Project No: FLM - 1

ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE SPECIFICATIONS TO THE STANDARD SPECIFICATIONS FOR PUBLIC WORKS, AS AMENDED BY THE PROJECT MANUAL.



Conformance with Guidelines

- Meets all guidelines except:
 - Distance from residential 575' instead of 650'
 - Max. height 57.5'





Conditions of Approval

1. Compliance with the basic development of the FLM....
2. Compliance with all requirements of the Design Review Board
3. **Maximum sign height of 65 feet**
4. Compliance with all City development codes and regulations
5. Compliance with all requirements of the Development Services Division with regards to the issuance of building and sign permits



Conditions of Approval

6. **Regarding the electronic message display:**
 - a. **The display is limited to text and picture messages only, with no animation or video.**
 - b. **The message change sequence is accomplished by an immediate on/of sequence, with each message being displayed for a minimum period of fifteen (15) seconds.**
 - c. **No continuous traveling or scrolling displays allowed.**
 - d. **The intensity of the LED display shall not exceed the levels specified in the Freeway Landmark Guidelines.**
7. **Written certification from the sign manufacturer that the light intensity has been factory preset....**